

Russia's war on Ukraine: Implications for the Arctic

SUMMARY

Russia's brutal war of aggression against Ukraine may not be taking place geographically in the Arctic, but it has already had a plethora of impacts on the circumpolar north, the repercussions of which are likely to spread well beyond the region. First, the war has negatively affected cooperation, as activities with Russia in the framework of regional forums such as the Arctic Council (AC), the Barents Euro-Atlantic Council (BEAC), the Council of the Baltic Sea States (CBSS) and the Northern Dimension have either been significantly scaled down or suspended. The repercussions of curtailed scientific cooperation, which has been a hallmark of Arctic exceptionalism for decades, are feared to be especially serious, in a context where unprecedented climate change necessitates urgent joint circumpolar action. In parallel, Russia's war on Ukraine has had a negative impact on the indigenous peoples of the Arctic, with those living in Russia most affected.

With the return of full-blown war to European soil, as well as the implications of climate change, heated geopolitics has also returned to the 'high north'. Russia's aggression has been a catalyst for two Nordic countries – Finland and Sweden – to apply for membership of the North Atlantic Treaty Organisation (NATO), reinforcing the Arctic dimension of the alliance. This development is set to strengthen NATO in the region; however, the intensifying hybrid threats and a non-conventional military build-up by Russia are likely to further increase tensions in the Arctic. Russia's isolation and the effects of economic sanctions imposed owing to its military aggression also create room for possible new dynamics and alliances in the region in the context of the changing power balance and China's rising ambitions there.

These developments are of great concern for the EU, which – in line with its Arctic policy outlined in successive Commission communications and Council conclusions – has been actively involved in matters relevant to the Arctic. The consequences of scaled-down cooperation on climate change, the environment and livelihoods, and the changes in the security environment and China's ambitions, all touch upon core interests of the EU. Through its resolutions, the European Parliament has been advocating for enhanced protection for the Arctic region, for 'peaceful cooperation while taking into account the new security realities', and for a stronger EU policy in the Arctic that is better adapted to the current geopolitical situation.



IN THIS BRIEFING

- Introduction
- Background: Cooperation in the Arctic
- The European Union in the Arctic
- Implications of Ukraine war for Arctic governance
- Security and geopolitics



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Introduction

Following decades where the Arctic was a backdrop for geopolitical competition and military build-up between the great powers, the end of the Cold War opened a new chapter in the Arctic region. Through mutually beneficial international governance and trust-building efforts, the 'Arctic 7' (the US, Canada, Denmark, Iceland, Sweden, Finland and Norway) and Russia managed to achieve a relatively high level of cooperation and stability thanks to bilateral cooperation and cooperation in multilateral non-binding forums such as the Arctic Council.

However, rivalries and tensions, even if managed before Russia's full-scale invasion of Ukraine, never disappeared completely and have become more <u>prominent</u> over the last 10 to 15 years. This has happened in the context of numerous factors – Russia's military build-up in the Arctic, the race to ensure energy security by Arctic and non-Arctic states, the increasing focus on maritime trade and the significance of the region for space-based <u>technologies</u>, to name a few.

In addition, climate change – which comes not only with enormous ecological and climatic threats, but also with possible economic opportunities – has been the amplifying force in the rise of rivalries and tensions (see box). In particular, as the region holds unexploited natural resources and may offer game-changing Arctic maritime routes in the future, it has strategic importance not only for the Arctic states, but also for some that are further away (e.g. China).

Even though the tensions due to economic and military interests in the Arctic have been rising, the turning point in the region was Russia's invasion of Ukraine in February 2022. Since then, pre-existing tensions in the 'high north' have skyrocketed and regional cooperation has been heavily impacted, with the ramifications likely to be felt not only by local communities nor even solely by the Arctic states, but also possibly by the world as a whole.

Climate change and the growing significance of the Arctic

The dramatic effects of climate change, which has been melting ice in the Arctic, have not only resulted in a plethora of challenges to local, regional and even global communities, but also unveiled **new potential for economic development**, increasing the region's economic and military significance and heightening tensions. In particular, melting glaciers have been opening new maritime routes for trade and tourism (e.g. the development of the Northwest Passage and the Northem Sea Route), affecting fish stocks, and unlocking vast natural resources, including oil, gas and critical minerals. This has led to increased human activity in the region.

Melting ice is also changing the geopolitical situation in the Arctic. Besides the climate and environmental implications for military activities and heightened tensions over **territorial claims**, the receding ice is set to increase security issues for Arctic states, as they will have to regulate increased activity (such as shipping, fishing and tourism) in the region and potentially deal with more **hybrid threats**.

To sum up, the receding ice has been fostering pre-existing competition for control, resource extraction and maritime dominance in the region, with the US, China and Russia being the foremost actors in this race.

Background: Cooperation in the Arctic

The Arctic Ocean and parts of the territories of eight Arctic states – the United States, Russia, Iceland, Norway, Finland, Sweden and the <u>Kingdom of Denmark</u> (through its semi-autonomous entities Greenland¹ and the Faroe Islands) – constitute the Arctic region, encompassing the area surrounding the North Pole, north of the Arctic Circle (latitude 66 degrees, 32 minutes north). The Arctic region is <u>home</u> to <u>almost</u> four million <u>people</u>, around 10% of whom are <u>indigenous</u>.

<u>Unlike</u> in <u>Antarctica</u>, where the <u>Antarctic Treaty System</u> regulates international cooperation, cooperation in the Arctic is not governed by a treaty. Instead, the legal <u>regime</u> of Arctic affairs is based on public international law, domestic law, and 'soft law'. Since the end of the Cold War, several intergovernmental forums, regional initiatives and bilateral projects with a focus on Arctic matters have been established. The Arctic Council (<u>AC</u>), Barents Euro-Atlantic Council (<u>BEAC</u>) and Council of

Figure 1 – Map of the Arctic region



Source: Samy Chahri, EPRS.

the Baltic Sea States (CBSS) – with the last encompassing more than the Arctic region – have been the most prominent intergovernmental cooperation forums. The EU has been participating in different forums either as a member or throughits Nordic and other participating Member States, with the aim of promoting its Arctic policy (see below).

For more than 30 years until the Russian invasion of Ukraine on 24 February 2022, through cooperation and mutually beneficial trust-building activities, the region managed to achieve 'Arctic exceptionalism' and the 'high north' was often praised for its 'low tensions'. For instance, in 2013 the AC reiterated the commitment to settle Arctic disputes in accordance with international law, especially the United Nations Convention on the Law of the Sea (UNCLOS), as reaffirmed by the 2008 Ilulissat Declaration, adopted by five Arctic Ocean coastal states. In 2015, even after the illegal annexation of Crimea by Russia, the

Arctic Coast Guard Forum (ACGF) was established as an independent and informal non-treaty based forum for operational cooperation in the maritime domain among all eight Arctic states (however, after Russia's full-scale invasion of Ukraine, the Arctic 7 suspended their participation in the forum).

Russia in the Arctic

Russia stretches across 53 % of the Arctic Ocean coastline, and it is estimated that more than half of the Arctic population (2.5 million people) live in the Russian Arctic. Forty legally recognised indigenous peoples live in this area, including 11 that live around or above the Arctic Circle. The significance of the Arctic in Russia has grown since the end of the 2000s, and the 2023 Russian Foreign Policy Concept, adopted more than a year after the full-scale invasion of Ukraine, distinguishes the Arctic as one of Russia's top priority regions. Russia aims to develop and capitalise on its Northern Sea Route and uses the Arctic region as a strategic resource base. According to the Arctic Institute, creating favourable international conditions for social and economic development and the preservation of the Arctic as an area of cooperation seem to be in Russia's interest.

However, Russia's participation in the Arctic governance structures and cooperation is important not only for its own national interests. While the interest and involvement of the other seven Arctic states in the region varies, it is <u>widely</u> agreed that Russia's participation in Arctic matters is important for numerous projects with an Arctic dimension. Several activities, especially in research and monitoring, would be compromised if the biggest member was not participating. Therefore, whether Russia cooperates in Arctic matters or not, it has repercussions on the Arctic region and its populations, and on the wider community, including at global level (especially in the area of climate change, biodiversity and the environment).

Arctic Council

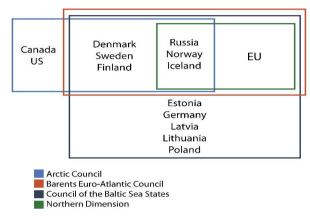
The Arctic Council, established by the 1996 Ottawa Declaration, is the leading intergovernmental non-treaty based forum promoting cooperation, coordination and interaction among the eight Arctic states. It focuses on common Arctic issues, in particular on sustainable social and economic development and environmental protection (climate, healthy and resilient ecosystems and a healthy marine environment) in the Arctic. The cooperation requires decisions to be taken by consensus among the eight Arctic states, and explicitly excludes military security matters. To provide for active participation and full consultation with the Arctic indigenous representatives, the AC gives permanent participant status to six indigenous peoples' groups. These groups are: the Aleut International Association (AIA), the Arctic Athabaskan Council (AAC), the Gwich'in Council

International (GCI), the Inuit Circumpolar Council (ICC), the Russian Association of Indigenous Peoples of the North (RAIPON), and the Saami Council. The AC also has **38 observers**: (a) 13 non-Arctic states, including China; (b) 13 intergovernmental and inter-parliamentary organisations; and (c) 12 non-governmental organisations. They have a right to make statements but have no say in decision-making. The AC's leadership is based on a bi-annual rotating 'chairship' between its

member states; the <u>chairship</u> is currently (2023-2025) assumed by <u>Norway</u>. The activities are conducted in six <u>working groups</u>² that execute the programmes and projects mandated by the AC Ministers, and a stand-alone <u>expert group</u> covering a broad range of issues, as well as <u>task forces</u> (currently, there are no active task forces).

While the decisions taken by the AC are not legally binding, on three occasions the Arctic states have negotiated legally binding agreements under its auspices: the Agreement on Cooperation on Aeronautical and Maritime Search and Rescue in the Arctic ('2011 SAR Agreement'); the Agreement on Cooperation on Marine Oil Pollution Preparedness and Response in the

Figure 2 – Mapping cooperation in the Arctic before 24 February 2022



Source: EPRS.

Arctic ('2013 Oil Spills Agreement'); and the <u>Agreement</u> on Enhancing International Arctic Scientific Cooperation ('2017 Science Cooperation Agreement').

Barents Euro-Atlantic Council (BEAC)

In 1993, to foster sustainable development with the right balance between environmental, economic, indigenous and social aspects and the well-being of inhabitants, and to build trust in the region that historically suffered from military confrontation, the <u>Kirkenes Declaration</u> launched cooperation in the Barents region on two levels. The first level takes the form of the intergovernmental <u>BEAC</u>, which initially included Denmark, Finland, Iceland, Norway, Sweden and the EU (through the European Commission), as well as Russia. However, following its condemnation and <u>suspension</u> due to its war on Ukraine, Russia announced its decision to <u>withdraw</u> from the forum on 18 September 2023. The second level refers to the interregional Barents Regional Council (<u>BRC</u>). Following Russia's withdrawal from the forum, only eight out of 13 counties or similar sub-national entities forming the BRC remain members. The representatives of the three indigenous peoples – the Sámi, the Nenets and the Vepsians – cooperate in the Working Group of Indigenous Peoples (<u>WGIP</u>), which has an advisory role in both the BEAC and the BRC.

The Council of the Baltic Sea States (CBSS)

The Council of the Baltic Sea States (CBSS) is an intergovernmental political forum for regional cooperation, established in 1992 with the <u>aim</u> of building confidence and relations based on trust. Before Russia's invasion of Ukraine, its highest decision-making body – the Council – consisted of the 11 foreign ministers of the CBSS member states (Denmark, Estonia, Finland, Germany, Iceland, Latvia, Lithuania, Norway, Poland, Sweden and Russia) and a high-level representative of the EU. However, on 3 March 2022 the members of the CBSS <u>suspended</u> Russia from further participation in the Council's activities, following which, on 17 May 2022, Russia withdrew from the CBSS. The CBSS also has 11 observer states: France, Hungary, Italy, the Netherlands, Romania, Slovakia, Spain, Ukraine, the United Kingdom, the US and Belarus (suspended). The work of the CBSS focuses on three streams: (a) Regional identity (culture, higher education, youth); (b) Sustainable & prosperous region (labour, science, sustainable development, sustainable maritime economy); and (c) Safe & secure region (anti-trafficking, child protection, civil security).

The European Union in the Arctic

As per its 2021 joint communication on stronger EU engagement for a peaceful, sustainable and prosperous Arctic, the EU is 'in the Arctic'; since 1995, the EU has been a part of the Arctic through the northernmost regions of Finland and Sweden (Finnish Lapland and Norrbotten respectively). As a geopolitical power, the EU underlines its strategic and day-to-day interests in the region, the EU's focus being on supporting multilateral peaceful cooperation in the Arctic, slowing the effects of climate change and supporting the sustainable development of Arctic regions to the benefit of Arctic communities, including indigenous people. The implementation of the EU's Arctic policy is expected to contribute to the delivery of the targets defined by the EU Green Deal and to meet its geopolitical interests. Besides the consecutive strategy documents published in 2008, 2012, 2016 and, most recently, 2021, the EU's Arctic policy is built upon the principles set out in UNCLOS and the United Nations 2030 Agenda and the Sustainable Development Goals. In 2017, to give the EU a focal point for Arctic diplomatic outreach, the post of EU Special Envoy³ for Arctic Matters within the European External Action Service (EEAS), currently occupied by Clara Ganslandt, was created. The EU's Arctic policy is also based on its involvement in the work of the multilateral forums, notably the AC, the BEAC, the CBSS and the Northern Dimension policy⁴ framework.

- The EU, through the European Commission, as well as Denmark, Finland and Sweden, are full members of the BEAC.
- The EU, together with Denmark, Estonia, Finland, Germany, Latvia, Lithuania, Poland and Sweden, is also a full-fledged member of the CBSS.
- Three EU Member States Finland, Sweden and Denmark are full-fledged members of the Council. Six other non-Arctic Member States – Germany, Poland, France, the Netherlands, Spain and Italy – are observers. However, the EU itself is neither a member nor an official observer at the AC, even though it submitted its application in 2008, and which it has been reiterating, including in 2021. The EU's application for observer status has been opposed by Canada and Russia for different reasons. Canada's opposition is based on economic reasons, particularly because of the EU's ban on imported seal products, 5 which, according to Canada, threatened to impact Canadian Inuits' livelihoods, while Russia's opposition was grounded on geopolitical reasons. The attitudes towards the EU's involvement have been diverging even within the Union itself, with the Nordic Member States preferring targeted involvement of the EU in selected areas such as research programmes and their funding, fisheries, and sustainable regional development. In 2013, the AC Declaration, adopted in Kiruna, stipulated that, until a final decision on whether to accept the EU as an observer, the EU may observe Council proceedings. Therefore, the EU continues to focus on coordination with its relevant Member States and is committed to engaging in AC working groups, task forces and expert groups. In particular, the Commission's experts provide support and bring in data and information generated by the EU through its own programmes, such as Horizon Europe, or policy-oriented research. The EU is also engaged in the AC's work through OSPAR (the Convention for the Protection of the Marine Environment of the North-East Atlantic, which is itself an observer to the AC), to which the EU is a contracting party.

The EU also engages in other contexts focusing on Arctic matters or relevant to the Arctic, for example in the <u>implementation</u> of the agreement to prevent unregulated fisheries in the Central Arctic Ocean, or in the global <u>processes</u> on the <u>Treaty of the High Seas</u> (BBNJ).

The EU, which has developed international networks on Arctic <u>research</u> as a diplomatic tool, is a major **supporter and funder of Arctic research** through its Horizon programme and the Atlantic-Arctic Lighthouse of the <u>Mission</u> 'Restore our Ocean and Waters', as well as through bilateral Science and Technology Cooperation Agreements with <u>Canada</u>, Russia (<u>suspended</u>) and the <u>US</u>. Since 2016, the EU has <u>supported</u> science diplomacy via the Arctic Science Ministerial meetings. In parallel, the EU supports **regional development** in the <u>Arctic</u> through <u>Interreg</u> programmes. During the 2021-2027 programming period, the EU is continuing to provide funding for various <u>initiatives</u> to

encourage cross-border cooperation, increase competitiveness and support indigenous peoples in the Arctic region (including the Sami) especially through the Interreg cooperation programmes <u>Aurora</u> and <u>The Northern Periphery & Arctic.</u>. The projects carried out under these programmes aim to contribute to the twin transitions and sustainable social, ecological and economic development in the European Arctic.

The Arctic in the EU's common security and defence policy (CSDP)

Against the backdrop of intensifying geopolitical rivalries and growing security issues due to a plethora of factors, including climate change, the EU <u>Strategic Compass</u> for Security and Defence, adopted in March 2022, recognises the **Arctic as part of the EU's strategic environment** and the importance of maritime security in the region. The EU <u>maritime security strategy</u>, updated in March 2023, calls for enhancing maritime domain awareness in the Arctic and for continued engagement with Arctic coastal states and relevant multilateral fora. In the 2023 <u>joint communication</u> on addressing the impact of climate change and environmental degradation on peace, security and defence, the EU acknowledges that **climate change is the most comprehensive threat to the Arctic** region and commits itself to using all bilateral and multilateral channels (including the AC and NATO) to address the issue.

Position of the European Parliament

The European Parliament has been supporting stronger involvement of the EU in the Arctic. Its <u>resolution</u> of 6 October 2022 on momentum for the ocean and strengthening ocean governance and biodiversity (2022/2836(RSP)) expressed support for the EU's application for observer status on the AC. In line with the Parliament's stance on environmental protection and climate change, this resolution also called for enhanced protection for the Arctic region, including a prohibition on oil exploration and, 'as soon as possible, on gas exploration'.

Just days before Russia's full-scale invasion of Ukraine, the Parliament adopted a <u>resolution</u>, on 17 February 2022, on the implementation of the common foreign and security policy (2021/2182(INI)), in which it expressed concerns 'about the potential spill over of global security issues into the Arctic'. The resolution also relayed concerns over 'the progressive and substantial Russian military build-up in the Arctic as well as the impact of far-reaching Chinese development and infrastructure initiatives and ambitions in the region'. It noted that 'the Arctic plays a crucial role in the security of Europe as [a] whole' and underlined that 'the EU must have a clear vision of its role in security matters in the Arctic along with good cooperation with NATO'.

In its <u>resolution</u> of 18 January 2023 on the implementation of the CSDP (2022/2050(INI)), the Parliament underlined the need to include the EU's Arctic policy in the CSDP. This resolution also stressed 'that the Arctic must remain an area of peaceful cooperation, while taking into account the new security realities resulting from the Russian war of aggression against Ukraine', and warned against increased militarisation of the region. In its <u>recommendation</u> of 15 March 2023 for a stronger EU in the world (2021/2065(INI)), the Parliament suggested adapting the organisation of the EEAS and the corresponding Commission services to new strategic needs arising from the new geopolitical context without further delay, with special attention to the Arctic.

Implications of Ukraine war for Arctic governance

Following Russia's invasion of Ukraine in February 2022, circumpolar cooperation – whose implementation (in terms of practical aspects such as cross-border research and events) was already being <u>challenged</u> by the outbreak of the coronavirus pandemic – became a silent collateral victim of this aggression. According to several <u>sources</u>, while the rationale behind the curtailing of scientific cooperation with Russia in the light of its unjustified aggression is clear and fully <u>warranted</u>, this step comes with major negative <u>consequences</u> for Arctic governance, Arctic science, and Arctic indigenous peoples.

In particular, Russia's invasion of Ukraine has had **ramifications for the Arctic governance structures**, given that other participating members <u>refused</u> to be used for messaging that <u>business</u> was going on as usual. On 3 March 2022, citing violations of the forum's foundational principles, including sovereignty and territorial integrity under international law, seven member states of the AC, the most prominent Arctic intergovernmental forum, decided to 'pause temporarily' all activities involving Russia, which at that time held the chairship of the Council (2021-2023). However, in June 2022 some of the projects were <u>resumed</u> without Russia's – the largest Arctic state's – participation, leading <u>many</u> to question the <u>future</u> of the forum. Since the successful transfer of the AC's chairship from Russia to Norway in May 2023, the first tangible steps have been taken towards the resumption of work that includes Russia. In September 2023, the eight AC countries <u>approved</u> the guidelines allowing the working groups, where the Council's main work is carried out, to resume their activities based on a written procedure of communication.

While work is being gradually resumed at the technical level, the extent of the cooperation is nevertheless compromised – the speed and the level of work is lower than normal and, importantly, the meetings at political level will most likely continue to be impossible in the current situation. At the same time, experts argue that even the resumption of work at the technical level avoids dark scenarios (such as Russia's withdrawal from the forum and establishing its own, or an AC that is paralysed for years to come) developed by numerous scholars. The three legally binding agreements negotiated under the auspices of the AC – the 2011 SAR Agreement, the 2013 Oil Spills Agreement and the 2017 Science Cooperation Agreement – remain legally binding for all eight Arctic states. However, as most of the operational work necessary for implementing these agreements was conducted in the AC working groups, the 'wait-and-see' attitude has been obstructing their efficient application.

The **BEAC** and the **CBSS** followed suit. On 3 March 2022, the members of the CBSS <u>suspended</u> Russia from participation in the Council's activities, following which, on 17 May 2022, Russia withdrew from the forum altogether. In parallel, after the BEAC issued a <u>statement</u> condemning and suspending activities involving Russia in March 2023, Russia announced its decision to <u>leave</u> the forum on 18 September 2023. On 8 March 2023, the EU, Iceland and Norway condemned 'in the strongest possible terms' Russia's military aggression and <u>halted</u> 'until further notice' all activities of the **Northern Dimension policy** that involve Russia and Belarus (which was an observer).

With cooperation in the main Arctic forums being compromised, it could be expected that the countries in the region would increasingly focus on certain international organisations to which Russia is a party, such as the International Maritime Organization (IMO), International Hydrographic Organization (IHO) and World Meteorological Organization (WMO).

Arctic scientific cooperation

Scientific cooperation⁶ has been a hallmark of 'Arctic exceptionalism' for decades. However, since Russia's invasion of Ukraine in February 2022 most of the avenues for scientific and research cooperation between the Arctic 7 and Russia have been curtailed. In particular, Russia's scientists and researchers have been excluded from nearly all Arctic scientific cooperation with their Western partners. This exclusion happened through the suspension of activities involving Russia in the framework of the Northern Dimension policy, the BEAC and the CBSS, following which Russia withdrew from the two latter forums. Activities involving Russia within the AC have also been suspended, with a gradual and limited resumption of scientific cooperation at the working group level since the beginning of September 2023, when the guidelines on the partial resumption of the forum's activities were approved. However, while the resumption of activities at the technical level allow for the continuation of existing and the start of new scientific projects, the cumbersome procedure of written communication and practicalities, as well as the lack of impetus at the political level, remain problematic.

In parallel, the Arctic 7 have each imposed <u>sanctions</u> regimes that include the restrictions in the field of scientific cooperation with Russia. For instance, Denmark, Sweden and Finland have enforced the

EU <u>sanctions</u> against Russia, which encompassed the <u>suspension</u> of all scientific collaboration with Russian entities and the <u>withdrawal</u> of research <u>funding</u> from activities that involve Russia.

Furthermore, while Western scientists in some instances could collaborate with their Russian counterparts on a personal level in their own capacity, Academia Europaea Bergen's Special Report explains that such collaboration has become very difficult due to the real and perceived obstacles on both sides. In the West, many researchers have become cautious when connecting and collaborating with Russian counterparts, as they often feared being perceived as supporting (even if inadvertently) the Russian government, which indeed funds most of the country's research. The fear of negative reactions or even repercussions from colleagues and especially funding bodies, together with a fear of security threats, has had a chilling effect on Western-Russian scientific cooperation in the Arctic. In addition, the practical and logistical difficulties arising from the sanctions regimes often lead to difficulties or even make Western-Russian cooperation impossible. Russian scientists also risk repercussions if their government deems that they are working too closely with the West.

Impacts of disrupted Arctic scientific cooperation

As Russia geographically spans nearly half the Arctic region, representing the largest Arctic nation with the longest polar coastline and control over large areas of the Arctic Ocean, access to research in its territory is essential to gain a circumpolar perspective. In other words, without collaboration with Russian scientists and access to Russian territory, Arctic research data will be incomplete. This is problematic, as numerous large scientific projects and consortia, such as INTERACT, an Arctic network

Why Arctic research matters

The Arctic region is the **second-largest carbon sink** in the world - losing more heat to space than it absorbs from the sun's rays – and is therefore often called 'Earth's icebox' or a global refrigerator. The Arctic regulates global temperatures, as its climate and weather are closely linked with those elsewhere. However, the Arctic systems are under transformation in unprecedented ways. The region suffers from 'Arctic amplification' – it is heating up three times faster than the global average – and rapidly melting land ice contributes to global sea level rise. In addition, the warming temperatures result in thawing <u>permafrost</u>, which causes greenhouse gas (methane) releases and amplifies climate change. Because of this, it is feared that, in the future, the Arctic may turn from being a carbon sink into a net carbon emitter, with serious climatic, oceanic, atmospheric and geophysical implications far beyond the region. The cascading effects of the heating up of the Arctic would exacerbate climate insecurity, leading to extreme weather events and biodiversity loss, and the thawing of the permafrost could act as a climate bomb, releasing a billion tons of carbon gases into the atmosphere. On top of this, the permafrost thaw may pose <u>serious</u> public health <u>threats</u> of global concern.

What happens in the Arctic does not stay in the Arctic – developments there are crucial from a global perspective. The magnitude of the impact on climate change is unclear, and the Arctic has a pivotal role in understanding the climate system and the way the climate is developing. Reduced scientific cooperation may also have severe consequences for biodiversity, ocean management, food security and public health, among other things. Arctic research is essential to effectively addressing climate change adaptation, mitigation, and resilience, and its fate comes with important worldwide implications.

of research stations funded by <u>Horizon 2020</u>, rely heavily on data flowing across borders and between institutions; therefore, the halt in scientific cooperation risks unravelling knowledge infrastructures that have been built over decades. The <u>curtailed</u> cooperation in the Arctic <u>disrupts</u> not only data collection, data processing and data sharing, but also <u>burdens</u> peer-to-peer feedback, scientific dialogue, and the publication and dissemination processes, where Russian counterparts are involved.

Several <u>analysts</u> point out that it is possible, to some extent, to reduce the data gaps due to the absence of Russia's participation in scientific and monitoring activities. For instance, researchers could reach out to other <u>colleagues</u> across the world, including those in non-Arctic states, to try to close knowledge <u>gaps</u>. In addition, several planned projects, which initially included Russia, could be rerouted. This has already been happening since the invasion, with the example of US-Russia joint permafrost and carbon projects that were originally intended for the Russian Arctic but have

since been <u>rerouted</u> to Alaska and northern Canada. Nevertheless, the Arctic without its Russian part is often not sufficient to provide a comprehensive understanding of the crucial issues, such as research on the permafrost environment. In parallel, the reduced Western-Russian cooperation is expected to result in stronger involvement of non-Arctic countries, such as China or India, in scientific projects in the Russian Arctic. This may create <u>polarisation</u> of the Arctic into two parts and cause the fragmentation of Arctic research. In this context, many fear that the scientific collaboration dynamics in the region may have reverberating <u>consequences</u> worldwide, especially for climate change and environmental issues.

Arctic indigenous peoples

Russia's war on Ukraine has had a negative impact on the indigenous peoples of the Arctic, with the indigenous peoples living in Russia arguably being affected the most. During its war of aggression, Russia's disregard for its international legal obligations has been growing. For instance, its exclusion and subsequent withdrawal from the legally binding European Convention on Human Rights (ECHR) in September 2022 is a particularly worrying development, as it means that citizens, including indigenous peoples in the Russian Arctic, have one channel less to protect their human rights. On top of this, Russia has reinforced measures against persons and organisations who do not support the Russian regime, thereby leaving its citizens, including indigenous people, with the dilemma of supporting the war or facing punitive measures. The Russian Association of the Indigenous Peoples of the North (RAIPON), which is a permanent member of the AC, has been rubber-stamping Russian government policy since 2013, with the alternative representatives (mostly in exile) being discredited and intimidated, and the last remaining free indigenous peoples' media facing forced shutdowns. The indigenous communities have reportedly also been misled and used for Russian propaganda purposes in support of the war effort. Moreover, there have been increased concerns over the recruitment of indigenous peoples to fight in Ukraine. While reliable data is not available, human rights activists fear that a 'disproportionate number of Indigenous people are dying in this war' after being drafted, coerced or after joining voluntarily due to their precarious (and ever worsening) socio-economic situation.

The war has had repercussions on Arctic indigenous peoples beyond the Russian part of the region. For example, cooperation between Arctic indigenous peoples has been affected directly – due to the suspension or delay of projects in the framework of the AC or the discontinuation of Interreg projects (notably under Kolarctic and Karelia programming) involving Russia, among other things – and indirectly, as obstructed cooperation in the Arctic impacts the local communities first and foremost. The war has also polarised indigenous Arctic communities not only within Russia, but also around the region. Most notably, it has caused significant rifts between Sámi in Russia and those in Nordic countries, which was manifested by the 'heart-breaking' suspension of two internationally recognised Sámi organisations in Russia from the transnational Saami Council. In parallel, concerns have been raised over the impact of the further militarisation of the region on the Arctic peoples, including the indigenous communities.

Security and geopolitics

During the Cold War, the potential use of military force from the Arctic gave the region its geopolitical <u>importance</u>. With the heavy presence of US and Russian intercontinental ballistic missiles, long-range bombers and nuclear deterrents in the Arctic, the region was <u>seen</u> as a theatre for the military posturing and <u>competition</u> between the great powers. However, after the fall of the Soviet Union and the end of the Cold War, through collective efforts and multilateral cooperation, the region was turned into a space generally free of significant geopolitical tensions, avoiding major confrontations even during geopolitically heated times elsewhere, even if ongoing re-militarisation in the Russian Arctic has been of concern. The <u>slogan</u> 'high north, low tension' that promoted soft cooperation (excluding military security) was popularised, and reflected the geopolitical dynamics in the Arctic until Russia's invasion of Ukraine in February 2022. That said, with the return of full-blown war to European soil, as well as the implications of climate change (notably, opening trade

passages and increasing access to the exploitation of natural resources), heated geopolitics has also returned to the 'high north'.

Russia's aggression against Ukraine since 2014, and especially since its full-scale invasion in February 2022, has led to a number of geopolitical developments that, in turn, have strong defence implications for the Arctic. These developments – the expansion of NATO, the increase in hybrid threats in the region and the growing cooperation between Russia and China in the Arctic – have contributed to the elevated tensions in the region.

NATO enlargement

Russia's invasion of Ukraine was a **catalyst for the expansion of NATO**. Russia's unprecedented assault led two EU Member States – Finland and Sweden – that belong to the Arctic 8 to revise their non-alignment and <u>neutrality</u>. Consequently, the two countries, each with a long history of neutrality, submitted their applications to become a part of NATO in May 2022. Following ratification by all of its members, Finland joined NATO almost one year later – on <u>4 April 2023</u>. Sweden is <u>expected</u> to join the block in the near future, when the last two NATO members still to do so – Hungary and Turkey – ratify its bid.

This NATO expansion is of great relevance for the Arctic region. In particular, the accession of Finland, which has a 1 340-kilometre border with Russia, more than doubled the pre-existing border between the block and its rival, and <u>turned</u> the strategically important Baltic Sea into a 'NATO lake'. On top of this, when Sweden finalises its accession to NATO, all seven Arctic states (except Russia), will be members of the US-led alliance. Both Finland and Sweden would be <u>important</u> security contributors to NATO, bringing in assets such as Finland's expertise in <u>operating</u> in Arctic conditions, its robust <u>defences</u> on the north-eastern flank, one of the <u>largest</u> artillery <u>capabilities</u> in Europe – with an <u>arsenal</u> of approximately 1500 weapons – as well as its <u>capabilities</u> and intelligence in telecommunication technologies. In this context, NATO's expansion to the north is set to increase the importance of northern Europe for the whole alliance, <u>strengthen</u> its posture in the Arctic and significantly affect Russia's sense of vulnerability and increase its alertness – all <u>altering</u> regional security dynamics.

Both NATO and Russia react to the tensions in the Arctic, and to the growing strategic importance of the region due to its natural resources, maritime potential and strategic location, by indicating their willingness and ability to operate in the 'high north' to protect their interests. Therefore, NATO and Russia are likely to <u>continue</u> putting <u>importance</u> on the 'high north', not only through the issuance of statements, policy documents and/or strategies, but also through an **increase in military exercises** (such as <u>Formidable Shield</u> and <u>Arctic Challenge 2023</u>, hosted by Finland), monitoring and other <u>activities</u> and engagement in the <u>region</u>.⁷

Instability in the region

In the context where Russia is experiencing challenges in its war of aggression against Ukraine, the Russian government is also <u>likely</u> to use the Arctic as a venue for asserting its dominance and demonstrating that Russia is still a strong military power. However, Russia's prolonged war in Ukraine and Western sanctions imposed on Russia because of its aggression, are set to <u>weaken</u> its conventional forces and reduce its military readiness in the Arctic region in the short term. Because of this, Russia's political and military leadership may **increase the emphasis on nuclear weapons** in managing escalation and conflict. This would increase the importance of the Russian Arctic and, in <u>particular</u>, the <u>Kola Peninsula</u>, which borders Norway and Finland and is home to the Northern Fleet, <u>hosting</u> Russia's most advanced Arctic land, air, and naval assets, including its nuclear deterrent. In addition, the European Centre of Excellence for Countering Hybrid Threats <u>reports</u> that Russia has been resorting to more frequent use of **hybrid tactics** (such as disinformation, cyber <u>operations</u>, jamming of GPS signals, or even <u>alleged</u> and not always confirmed <u>cases</u> of <u>targeting</u> key <u>infrastructure</u>) in the region, which, in turn, raises concerns for NATO, especially its European Nordic members. While experts do not <u>consider</u> that <u>Russia</u> is likely to directly confront NATO, the

reduced channels of communication between Russia and Western countries, Russia's intensifying hybrid activities and the risk of Russian provocations increase the <u>risk</u> of miscalculations in the Arctic.

Rise of China as an actor in the Arctic

Closer relations between Russia and China, including increased Sino-Russian cooperation in the Arctic, is another repercussion of Russia's war on Ukraine. The economic sanctions imposed by numerous countries (the US, Canada, and the EU, among others) on Russia due to its annexation of Crimea in 2014, and comprehensively expanded since the full-blown invasion, isolated the country not only diplomatically but also from the West's markets and investments. Therefore, since 2014, Russia has become increasingly dependent on Chinese <u>cooperation</u>. This seems to be in the interests of China, which, despite being situated 1 400 km from the Arctic circle, calls itself a 'near-Arctic state' in its 2018 white paper on Arctic policy, and which is keen on expanding its diplomatic, economic, and scientific activities in the region to become a 'polar great power' by 2030. In the context where some observers have concerns regarding China's motivations and goals in the Arctic, and where the strengthened Sino-Russian cooperation in the region could further increase China's presence and activities in the 'high north', the ever-closer cooperation between the two countries may continue to alarm policy makers in the West.

Russia's isolation offers new opportunities for China to gain influence in the Arctic through the **soft power toolbox** – investment, cooperation on Arctic energy, research and <u>transport</u>, and an ever-closer presence – and through the economic and geopolitical pressure that China may exert. Indeed, just a few weeks before Russia's invasion of Ukraine, on 4 February 2022,

Sanctions, energy projects and the rise of China in the Russian Arctic

The comprehensive sectoral and targeted sanctions imposed by numerous Western countries following Russia's invasion of Ukraine <u>resulted</u> in several major oil companies (such as BP, ExxonMobil and Shell) and investors <u>withdrawing</u> from or not pursing new Russian resource development projects in the Arctic, which are of strategic importance for Russia's economy. Russia also saw financing for its projects in the Arctic being frozen; for instance, Italy <u>froze</u> its US\$21 billion of financing for Arctic LNG 2, an extraction project in northern Siberia. As a result, several major Russian energy projects in the Arctic were impeded.

China has been an active <u>stakeholder</u> in the Arctic (for example, it has a 30-year contract with Russia to import gas via the future Power of Siberia 2 pipeline, and Chinese <u>companies</u> had major <u>stakes</u> in several of Russia's biggest industrial projects, such as Yamal LNG and Arctic LNG). Observers note that the exit of Western stakeholders creates <u>room</u> for **more Chinese investment** and <u>capital</u>. In addition, Russia is set to rely increasingly on Chinese technology and equipment to proceed with its projects in the Arctic, as, due to the Western sanctions, most of the needed products can no longer be imported from the previous suppliers. In this context, bilateral trade between the countries increased by one third in 2022, and is expected to have grown in 2023. At the same time, Russia is intensifying its efforts to secure partnerships with other countries that are not aligned with the Western sanctions to substitute lost investments and trade partners while attempting to avoid over-reliance on China.

the two countries released a <u>joint statement</u> committing themselves to <u>intensifying</u> 'practical cooperation for the sustainable development of the Arctic'. In the spring of 2023, the countries agreed to <u>establish</u> a joint umbrella organisation for traffic along the Northern Sea Route and signed a memorandum <u>providing</u> for extensive cooperation in law enforcement in the Barents Sea and Arctic waters. However, China's ambition to become a 'great polar power' is likely to increase <u>tensions</u> with the Arctic 7 and other Western countries. Russia itself, while officially welcoming China's interest in the Arctic, seems to remain cautious <u>regarding</u> China's growing influence and the possibly shifting balance of power in the area, where Russia has historically enjoyed dominance. In this context, Russia has been seeking to diversify its partnerships in the Arctic with non-Arctic countries, such as <u>India</u> and the <u>United Arab Emirates</u>, that are not aligned with the Western sanctions, and thus are potential suppliers of investment and technology. <u>However</u>, this, combined with China not having a sovereign jurisdiction in the Arctic, and as its capacity to invest is not limitless, could indicate that China's rise as an Arctic <u>player</u> may be <u>limited</u>.

US Arctic policy and China's containment

The US <u>National Strategy</u> for the <u>Arctic Region</u> – released in October 2022 together with the US <u>National Security Strategy</u> (NSS) and the US <u>National Defense Strategy</u> (NDS) – articulates an affirmative US agenda from 2022 to 2032, to <u>ensure</u> that the Arctic region is peaceful, stable, prosperous, and cooperative. The US Arctic strategy <u>introduces</u> four pillars: (a) Security; (b) Climate change & environmental protection; (c) Sustainable economic development; and (d) international cooperation and governance.

The US's 2022 Arctic and NSS strategies acknowledge increasing strategic competition in the Arctic, exacerbated by Russia's war on Ukraine. The documents also pay particular <u>attention</u> to <u>China</u> using commercial or scientific access to the Arctic to advance its presence in the region, including 'to conduct dual-use research with intelligence or military applications'. As the Russian invasion of Ukraine exacerbates the pre-existing US-China global competition that has been spilling over into the Arctic, the US strategies show the country's intent to step up its investment in the Arctic. <u>According</u> to the Arctic Institute, this is mainly due to the fact that the US cannot afford to have China gain a foothold or grow strong' in the region. For this, other Arctic states' limited engagement with China would also be in the interest of the US.

ENDNOTES

- ¹ Greenland is not an EU member but is one of the 'overseas countries and territories' with association arrangements with the EU.
- The six working groups are as follow: <u>Arctic Contaminants Action Programme</u> (ACAP); <u>Arctic Monitoring and Assessment Programme</u> (AMAP); <u>Conservation of ArcticFlora and Fauna</u> (CAFF); <u>Emergency Prevention, Preparedness and Response</u> (EPPR); <u>Protection of the Arctic Marine Environment</u> (PAME); <u>Sustainable Development Working Group</u> (SDWG).
- The EU special envoys are senior experts appointed on an ad hoc basis by the EU High Representative (unlike the special representatives of the EU, who are appointed by a Council decision on a proposal by the HR/VP) to deal with a set of specific issues. The EU Special Envoy for Arctic matters coordinates and mainstreams Arctic policy internally and externally.
- The Northern Dimension policy provided a platform for practical cooperation via its thematic partnerships: environment (NDEP), transport and logistics (NDPTL), culture (NDPC), and public health and social well-being (NDPHS). As a response to Russia's military aggression against Ukraine, all activities of Northern Dimension policy that involve Russia and Belarus were suspended in March 2022.
- Regulation (EC) No 1007/2009 of 16 September 2009 on trade in seal products exempted seal products resulting from hunts traditionally conducted by Inuit and other indigenous communities that contribute to their subsistence. However, numerous accounts claim that the ban has nevertheless had adverse effects on the indigenous Arctic peoples.
- In terms of funding, earth science is by far the largest field of Arctic research, receiving almost two-fifths of total funding. Arctic earth science relates mainly to oceanography and climate studies.
- ⁷ The <u>CSIS Arctic Military Activity Tracker</u> is a useful source to follow military activity within the Arctic.

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