

## The Arctic within EU Strategies: A Renewed Centrality

by Luca Cinciripini

In June 2023, the Arctic Council resumed its work after a year's suspension in response to Russia's invasion of Ukraine.<sup>1</sup> The Council is a pillar of the institutional architecture of the region; the main framework for cooperation between the Arctic states that also involves the North's indigenous peoples in issues of environmental protection and sustainable development.

In recent years, the overlap between climate and security crises has profoundly transformed the region, generating economic opportunities but also endangering local populations and amplifying international competition.<sup>2</sup> The European Union, which is increasingly interested in the issue of

climate security (the multiplier effect of climate change and its, even indirect, impact on security risks spanning several dimensions – economic, human and political),<sup>3</sup> has long tried to devise an Arctic policy that takes into account such changes by tackling emerging challenges and grasping opportunities.

To better address these issues, since 2013 the EU has been applying for full observer status to the Council; however, it has only been permitted to observe the organisation's activities without a formalisation of its role. At the same time, however, to be able to play an active role in the region, the EU's strategy must cover the full width of the Arctic institutional architecture, which encompasses a plurality of diplomatic, legal and institutional instruments that go beyond the framework of the Council.

<sup>1</sup> Canada et al., *Joint Statement on Arctic Council Cooperation following Russia's Invasion of Ukraine*, 3 March 2022, <https://www.state.gov/?p=320209>.

<sup>2</sup> Marlene Pavya Almonte, "Vulnerability in the Arctic in the Context of Climate Change and Uncertainty", in *The Arctic Institute Articles*, 2 May 2023, <https://www.thearcticinstitute.org/?p=28535>.

<sup>3</sup> United Nations Development Programme (UNDP) website: *Climate Security*, <https://climatepromise.undp.org/taxonomy/term/255>.

*Luca Cinciripini is researcher in the EU, Politics and Institutions programme at the Istituto Affari Internazionali (IAI).*

### Why the Arctic matters

The evolution of the documents that have cyclically shaped the EU's Arctic policy attests to its long-standing interest in the far north of the European continent. While it was initially framed from a purely climate and scientific perspective, recent international crises have emphasised the security dimension of the region.<sup>4</sup> The strategic relevance of the Arctic for the EU was last confirmed by the Strategic Compass published in 2022, following the 2021 updated EU's Arctic Policy that had already signalled a step change in Brussels' perception of the region.<sup>5</sup> It noted that "intensified interest in Arctic resources and transport routes could transform the region into an arena of local and geopolitical competition and possible tensions, possibly threatening the EU's interests".<sup>6</sup> The progressive deterioration of relations with Russia has undermined the framework of local cooperation, which has in turn further aggravated the dense, multi-level web of challenges that is linked to climate change, highlighting the centrality of climate security for the EU.

<sup>4</sup> Josep Borrell, "The Arctic, a Key Region for the EU and Global Security", in *HR/VP Blog*, 3 February 2021, <https://www.eeas.europa.eu/node/92500>.

<sup>5</sup> Adam Stępień and Andreas Raspotnik, "Continuity with Great Confidence: The European Union's 2021 Arctic Policy Update", in *The Arctic Institute Reports*, October 2021, <https://www.thearcticinstitute.org/?p=22120>.

<sup>6</sup> European Commission and European External Action Service, *A Stronger EU Engagement for a Peaceful, Sustainable and Prosperous Arctic* (JOIN/2021/27), 13 October 2021, p. 1, <https://eur-lex.europa.eu/legal-content/en/TXT/?uri=celex:52021JC0027>.

The challenges the Arctic poses and the opportunities that it offers to the EU operate at several levels. First, the effects of climate change are significant within the region itself, with cascading consequences on the security of local populations and infrastructure, as well as on a global scale. Melting ice causes the opening of new shipping lanes and provides access to huge raw material deposits.<sup>7</sup> The Arctic hosts 13 per cent and 30 per cent of undiscovered oil and natural gas respectively,<sup>8</sup> in addition to vast deposits of raw materials and mineral resources. In this sense, the European Arctic could play a key role as a provider of renewable energy and a reliable supplier of critical raw materials that have become fundamental for achieving both the EU's climate goals and energy independence from Russia.<sup>9</sup> The region's trade and energy potential attracts external actors too, especially the People's Republic of China (PRC), increasing tensions and competition. Beijing has recently entered into military, trade and diplomatic cooperation agreements with Russia,<sup>10</sup> consistent with its 2018 Arctic policy where the PRC described

<sup>7</sup> Thomas Graham and Amy Myers Jaffe, "There Is No Scramble for the Arctic", in *Foreign Affairs*, 27 July 2020, <https://www.foreignaffairs.com/node/1126228>.

<sup>8</sup> European Commission's platform Knowledge4Policy, *Earth Observation for the Arctic*, last updated 2 May 2023, <https://knowledge4policy.ec.europa.eu/node/61970>.

<sup>9</sup> Marie-Anne Coninx and Karen van Loon, "Europe's Energy and Resource Challenge. The Arctic Is Part of the Solution", in *Egmont Policy Briefs*, No. 286 (September 2022), <https://www.egmontinstitute.be/?p=42916>.

<sup>10</sup> Elisabeth Braw, "Arctic Harmony is Falling Apart", in *Foreign Policy*, 15 May 2023, <https://foreignpolicy.com/2023/05/15/russia-china-arctic-cooperation-svalbard>.

itself as a “near Arctic” country.<sup>11</sup>

Second, the relevance of the region for European security has substantially augmented following the worsening of Western countries’ relationship with Russia and the recent enlargement of NATO to Finland and Sweden, even if the latter is yet to be formally completed. The inclusion of these two northern states into the Atlantic Alliance has strengthened the security dimension of European involvement in the Arctic, with an increasing role of NATO and the intensification of military exercises and threat perceptions.<sup>12</sup>

An equally notable factor is the rapid degradation of the intergovernmental cooperation architecture that had previously managed to guarantee the stability of the Arctic region. As Russia is the largest Arctic country by geographical size, Moscow plays a major role in the various regional cooperation frameworks, thus having substantial leverage in shaping local policies. This implies on the EU side the necessity to carefully reflect on the multilateral avenues at its disposal in the region, and how to best exploit them to promote its interests. Alongside the Arctic Council, which has long been the focus of the EU’s attention, other instruments exist, such as the Northern Dimension Policy (NDP),

through which the EU can carve out a comprehensive Arctic role for itself.

### *A complex multilateral architecture*

The EU’s attempt to obtain the role of formal observer in the Arctic Council is undoubtedly a step in the right direction. The Council was established in 1996 following the Ottawa Declaration with a mandate to promote cooperation and coordination on sustainable development and environmental protection, leaving aside military issues.<sup>13</sup> It comprises the Arctic states (Canada, Denmark, Finland, Iceland, Norway, Sweden, Russia and the United States) and the permanent participation of regional indigenous peoples’ associations. Its activities are primarily conducted via six Working Groups that represent the real added value of the Council.<sup>14</sup> The Council’s decision to resume only its activities that do not include Russia, however, casts doubts on the future capacity of the body to address regional issues.

Arctic governance, however, encompasses a plurality of institutions and instruments, and of political, diplomatic and legal tools, through which Arctic policies are promoted and adopted beyond the Arctic Council framework. For example, the Barents Euro-Arctic Council, of which the European Commission is a member

<sup>11</sup> Richard Milne, “Arctic Chill: Western Nations Fear China and Russia Will Exploit Regional Tensions”, in *Financial Times*, 5 June 2023, <https://www.ft.com/content/ef7d5f39-4a59-4774-888c-ade3c2354b63>.

<sup>12</sup> Mauro Mondello, “Il Comando Artico della NATO cambia tutto per l’Alleanza” [NATO’s Arctic Command Changes Everything for the Alliance], in *Il Foglio*, 13 July 2023, <https://www.ilfoglio.it/esteri/2023/07/13/news/5493584>.

<sup>13</sup> Arctic Council website: *About the Arctic Council*, <https://arctic-council.org/about>.

<sup>14</sup> Brett Simpson, “The Rise and Sudden Fall of the Arctic Council”, in *Foreign Policy*, 31 May 2023, <https://foreignpolicy.com/2023/05/31/arctic-council-russia-norway>.

(in addition to Denmark, Finland, Iceland, Russia, Norway and Sweden) constitutes another inter-governmental body aimed at promoting stability and sustainable development.<sup>15</sup> Another example is the NDP, adopted in the late 1990s by the EU, Russia, Norway and Iceland to strengthen dialogue and cooperation between Brussels and the Nordic countries.

The NDP's objective is to promote stability, well-being and sustainable development in the Baltic Sea, the Barents region and the broader European Arctic. Its projects are mainly focused on four areas: environment, culture, transport and logistics, and public health and social well-being.<sup>16</sup> Historically, its geographical scope has extended to the Baltic and Barents regions, leaving aside the Euro-Arctic as a whole and potentially integrating the Council's geographic focus, closing the gap between the Arctic and the Baltic region.<sup>17</sup>

While the mandates of the Arctic Council and NDP are broadly similar, there are differences in membership and geographical focus. While Brussels has limited participation in the Arctic Council, it plays a leading role in

the NDP. Here, the North American component is absent, which may give the EU greater freedom of initiative, but at the same time deprives Brussels of allies. This different geographical focus may nonetheless represent an opportunity, as it offers the possibility for the EU to promote a common strategic framing of the Arctic and the Baltic, connecting two contexts that are facing similar challenges. Similar to the Arctic Council, the NDP was also suspended following the Russian invasion of Ukraine, with no signs of recovery so far. Nevertheless, its very existence demonstrates that there may be a plurality of instruments at the EU's disposal to carve out a meaningful role for itself in the region and promote a strong security community.

At the moment, the two frameworks lack a distinct security dimension. This becomes all the more relevant in light of the profound transformation of the Arctic security scenario that has taken place in recent years and that has been reflected in the EU's Arctic Policy, moving beyond a framework based solely on environmental aspects.<sup>18</sup> So far, the EU has found it difficult to consolidate an Arctic security community held together by common and shared values, and capable of integrating the institutional architecture of the region. The EU's awareness of the Arctic's evolving security dimension and its growing strategic importance may however stimulate, even partially, the promotion of a security dimension in the two

<sup>15</sup> Tiziana Melchiorre, "The European Union in the Arctic: An Inextricable Connubium?", in *High North News*, 31 May 2022, <https://www.highnorthnews.com/en/european-union-and-arctic-inextricable-connubium>.

<sup>16</sup> Website of the Finnish Ministry for Foreign Affairs: *Northern Dimension*, <https://um.fi/northern-dimension>.

<sup>17</sup> Iris Thatcher, "The EU and the Future of Arctic Cooperation in the Northern Dimension", in *Polar Points*, No. 14 (7 September 2022), <https://www.wilsoncenter.org/blog-post/no-14-eu-and-future-arctic-cooperation-northern-dimension>.

<sup>18</sup> Ionela Ciolan, "The EU's Geopolitical Awakening in the Arctic", in *EPC Commentaries*, 11 April 2022, <https://www.epc.eu/en/publications/~47c318>.



frameworks. This should complement attention on environmental and sustainable development issues, without abandoning them. Arctic security, in fact, must be understood in a broad sense that includes several aspects, spanning from environmental security to economic, military, societal and political security. In this sense, Arctic governance becomes key also to limiting the influence of external decision-making centres on regional policies, potentially reproducing exogenous confrontation dynamics in the Arctic too.

### Looking ahead

While the Strategic Compass of 2022 recognises the multi-dimensionality of the Arctic security sphere, which is articulated at the commercial, energy and military levels, so far the EU has not been a security actor in the traditional sense for the Nordic countries. NATO's increased presence in the region, on the contrary, further pushes them to see the Alliance as their only interlocutor in security and defence matters.<sup>19</sup> Against this backdrop, the EU can nonetheless focus on a comprehensive security framework that includes not only the promotion of standards and ideas but also the implementation of international agreements, such as the United Nations Convention on the Law of the Sea (UNCLOS) or the International Code for Ships operating in Polar Waters (Polar Code), to promote a legal framework for the region.<sup>20</sup>

<sup>19</sup> Andreas Raspotnik and Andreas Østhagen, "The EU Must Re-think Its Arctic Relationship with Russia", in *Euractiv*, 28 March 2022, <https://www.euractiv.com/?p=1732475>.

<sup>20</sup> Lena Debanck, "The EU as an Actor in the

An update of the EU Arctic Policy of 2021 will likely be necessary, integrating it with the principles outlined in the Strategic Compass of 2022. The development of a regional policy may follow two complementary lines.

A first dimension pertains to hard security and encompasses a strengthening of dialogue and strategic cooperation with NATO, in light of the Alliance's growing exposure in the region. Although the chances of a direct confrontation with Russia in the Arctic are low, increasing militarisation, the use of potential hybrid tools – such as the sabotage of critical infrastructure or the gathering of intelligence and information through scientific research expeditions<sup>21</sup> – and the relevance of the maritime sphere make the Arctic a strategic region. Strong integration between the EU and NATO will help identify and compound the most suitable tools that the two organisations have at their disposal and avoid overlaps.

A second dimension should work at the diplomatic, political and economic levels. First, the Arctic must be included in the EU's debate on climate security. The interest in environmental protection must be balanced against the exploitation of local natural

Arctic", in *The Arctic Institute Articles*, 25 April 2023, <https://www.thearcticinstitute.org/?p=28554>.

<sup>21</sup> Andreas Østhagen, "The Arctic after Russia's Invasion of Ukraine: The Increased Risk of Conflict and Hybrid Threats", in *Hybrid CoE Papers*, No. 18 (May 2023), <https://www.hybridcoe.fi/publications/hybrid-coe-paper-18-the-arctic-after-russias-invasion-of-ukraine-the-increased-risk-of-conflict-and-hybrid-threats>.

resources to reduce energy dependence and the achievement of EU climate policies. Another crucial aspect is the strengthening of dialogue and cooperation also with regional actors, be they Arctic countries or populations. With the former, especially Norway and Iceland, the EU should strengthen ties of economic interdependence with a view to consolidating its own interests against those of Russia. With regard to the latter, from the Arctic Council emerges one of the best practices to be replicated, namely the involvement of indigenous peoples in cooperation frameworks. The full participation of the locals, who suffer most from the consequences of climate insecurity and inter-state tensions, is indispensable to ensure the EU's full legitimacy as an Arctic actor advancing regional interests, values and norms. Lastly, the EU's Arctic strategy can be fostered by broadening the regional perspective, promoting a common conceptualisation of the Arctic and the Baltic, and taking advantage of Brussels' pre-existing rootedness in the Baltic area. To this end, the NDP could become even more relevant.

Leveraging the vast array of institutional and diplomatic tools at the EU's disposal may be helpful to bolster Brussels' engagement in the region. To do so, it will be necessary to develop an approach that addresses the multiplicity of challenges that the Arctic presents and preserves its peace, environmental sustainability and security.

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Via dei Montecatini, 17

I-00186 Rome, Italy

Tel. +39 066976831

[iai@iai.it](mailto:iai@iai.it)

[www.iai.it](http://www.iai.it)

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