



THE DITCHLEY FOUNDATION

The Arctic at the crossroads: cooperation or competition?

9-11 June 2017

In partnership with the Canadian Ditchley Foundation

conference in Whitehorse, Yukon, Canada

Co-Chairs: The Honourable Jean Charest PC and Mr Duane Smith

This conference, under the auspices of the Canadian Ditchley Foundation, will also be Ditchley's contribution to the 150th anniversary of the establishment of the Confederation of Canada.

Just over 20 years ago, the Arctic Council was founded in Ottawa by the eight Arctic states (Canada, Denmark, Finland, Iceland, Norway, Russia, Sweden and the United States). Its rotating biennial chairmanship will be held by six European states in a row from 2017, at a time when new forces – climate change, resource development, globalization and geopolitical developments – are transforming the fabric of the region and producing new challenges and opportunities for the people who call the Arctic home, the eight Arctic states and other countries and businesses seeking to benefit.

The interconnectedness of these new forces makes the development of rational and proactive Arctic policies an imperative but also a formidable challenge. Particular questions which arise include territorial claims and rights of access to shipping routes and fishing grounds; ownership and management of mineral and fishing resources; management of the environment; and security issues. These, in turn, bring to the fore concerns about the design of the institutional machinery to govern the region.

Hydrocarbons are probably the most obviously valuable commodity in the Arctic, with up to 25% of the world's undiscovered deposits, but there are many other rich mineral resources, including zinc, copper, nickel, iron-ore and diamonds. The potential for generation of clean energy is considerable. The reduction of ice cover means greater access for fisheries and for tourism and scope for sea transport. The increased economic interest in the region compounds the existing problems of how its resources should be managed, while protecting the interests of its indigenous inhabitants and the Arctic ecosystems.

The Arctic will remain a very expensive place to do business. The challenges of access, by land or sea, the high costs of construction and maintenance of infrastructure, and the unique risks from severe and unpredictable weather, are only some of the problems. The stakes are therefore high.

The Arctic is fundamentally different from the Antarctic since the vast majority of its area falls within the extended sovereignty rights of neighbouring states. The region has also been the home of its indigenous peoples for centuries. It is therefore difficult to envisage an international treaty on its protection along the lines of the Antarctic Treaty, although this is advocated by some. The maritime dimension of the Arctic region means that the United Nations Convention on the Law of the Sea (UNCLOS) is a central feature in its governance. It is the undisputed forum to redraw the boundaries of the Arctic Ocean and defines the rights of coastal states over activities within their maritime zones. There nevertheless remain areas of contention with respect to boundaries and control of international maritime traffic and fishing rights. The Arctic Council itself has no treaty basis, and its limited membership means its policy-making capacity is also limited, despite its success in many other ways. Can it be effective in the future, or might something else be required?

The looming challenges include:

- How can the continuing disputes about boundaries be handled?
- Are the rights and interests of the indigenous peoples being properly protected?
- Military and Search and Rescue cooperation around the Arctic has so far been good, including fora discussions and joint exercises, but how might any future security tensions or threats to militarise the region be best handled, given their explicit exclusion from the ambit of the Arctic Council itself?
- Are we adequately investing in "Arctic science" to be able to understand and manage this unique ecosystem?
- How should the increased interest in the region by Asian and European states be harnessed to enhance the capacity to deal with the environmental, economic, social and geopolitical challenges that confront the region?

This conference will aim to bring together policy-makers, experts, representatives of indigenous communities and other interested parties from a wide array of countries, including those of the Arctic Council, to examine the challenges and recommend cooperative ways forward for the future.