Chapter 2

THE EUROPEAN UNION AND THE ARCTIC REGION: AN ONGOING LEARNING PROCESS

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2.1 European Union’s Presence in the Arctic

Discussions on the role of the European Union in the Arctic often emphasise the fact that the EU has no Arctic Ocean shoreline. Indeed, Greenland, which acceded to the European Economic Community (EEC, the EU’s predecessor) as a part of Denmark, withdrew from the EEC in 1985 after obtaining Home Rule and holding a referendum. However, in reality the EU (as we know it today) has been present in the Arctic since the establishment of the European Communities in the 1950s. This is a natural consequence of European states – and thus the EU – being close neighbours of the region, and influencing the region via factors such as its resource demand, pollution produced in the EU or funding dedicated for Arctic research. Moreover, since the 1990s the EU institutions have been involved in international co-operation in the North, including via the Northern Dimension framework and membership in the Barents Euro-Arctic Council.

Today’s EU-28 has many competences to act in various policy spheres, which also extend to the Arctic. In lay terms, EU competences mean that the Union can legislate and enact directives/regulations or develop policy in certain areas. To decide in which policy areas the EU has competence is an act with clear consequences. First of all, the competence can be exclusive to the EU, meaning that the member states do not have competence to legislate and develop policy in this field (e.g. management of marine living resources). The competence can also be shared between member states and the EU (e.g. environmental policies), and that is why in many policy areas it is the EU and the member states that become parties to international treaties. In some cases, the competence still falls under the member states, but the EU has complementary competence (e.g. in tourism).

Most of these EU policies – in one way or another – influence all regions where the EU is present. This is true also for the Arctic, even if a particular policy was designed with the general European constituency rather than the Arctic in mind. The 2010 EU Arctic Footprint and Policy Assessment Report showed, for example, that PCB-153 emissions from Europe constitute 57% of all emissions reaching the Arctic. Similarly, the EU’s share of mercury emissions in the Arctic is about 24% – although the EU contributes only 5.5% to global mercury emissions. In 2012, the EU contributed 11.3% to global carbon dioxide emissions.

The EU accounted for 39% of fish imports from Arctic countries, and 24% of final demand for products from the Arctic oil and gas industry. Europeans account for 27% of Arctic tourists.

EU regulations and actions have importance especially in the European Arctic. It can be broadly said that the EU’s direct influence is clearest in the northern territories of its member states (Finland and Sweden) and the parties to the EEA agreement (mainland Norway and Iceland), but its fairly strong indirect influence extends to the area from Greenland to northwest Russia, which is the focus of this report.

A small part of the territories of EU member states (Finland and Sweden) belong to the Arctic region (as defined by the AHDR or Arctic Council’s Arctic Monitoring and Assessment Programme). In Norway and Iceland, due to the European Economic Area (EEA) Agreement, a significant number of EU regulations are applicable. The EU has a special relationship with Greenland based on the 1985 Greenland Treaty; Fisheries Agreement (2013-2015); a Partnership Agreement (a new agreement being finalised at the time of completing this report); and Greenland’s status within the Overseas Countries and Territories Association. Although Denmark is an EU member state, the Kingdom of Denmark is comprised of three territories: Denmark and the self-governing Faroe Islands and Greenland. Thus, the government of Denmark, itself member of the EU, represents the Faroe Islands and Greenland as non-EU territories.

The EU is also involved in developments in northwest Russia via its regional and cross-border funding (e.g. Kolarctic ENPI [European Neighbourhood Partnership Instrument] programme) and various financial instruments, including the Initiative for Democracy and Human Rights.

Despite the presence discussed above, the EU has found it challenging to be acknowledged as an Arctic actor by the key regional players. This is partly due to the ban on placing seal products on the EU market, adopted in 2009. This caused outrage especially in Canada among commercial sealers and indigenous peoples (despite an exemption for products originating from subsistence hunting). More recently, at the Arctic Council’s Kiruna Ministerial Meeting in May 2013, the Arctic Council “received the application of the EU for observer status affirmatively”, with a final decision on observer status awaiting “implementation”, but with the EU being invited to observe Council proceedings on an equal basis to other observers. Thus, in this report the EU is considered

6. “The Arctic Council receives the application of the EU for observer status affirmatively, but defers a final decision on implementation until the Council ministers are agreed by consensus that the concerns of Council members, addressed by the President of the European Commission in his letter of 8 May are resolved, with the understanding that the EU may observe Council proceedings until such time as the Council acts on the letter’s proposal.” Arctic Council (15 May 2013). Kiruna Declaration. 8th Ministerial Meeting of the Arctic Council.
an “observer in principle” in the Arctic Council. Notably, representatives of the Commission in the Arctic Council’s working groups have proven to be active both before and after May 2013.

2.2 The Process of Formulating EU Arctic Policy

Numerous EU actors are involved in the elaboration of a possible future overarching and comprehensive policy framework for a variety of EU actions relevant for the Arctic. Starting from 2006/2007, the process had been partly initiated within the EU’s Integrated Maritime Policy (with the European Commission’s DG Maritime Affairs and Fisheries in a key role) and partly due to rising interest in Arctic affairs within the European Parliament. The latter had already earlier participated in the Conferences of Parliamentarians of the Arctic Region, although not very visibly. The actual formulation of Arctic policy, where a number of the Commission’s DGs have been involved, has been led by the DG External Relations (DG RELEX), which established the Arctic inter-service group bringing together officers from various DGs. Following the Lisbon Treaty, the European External Action Service (EEAS) has come to the fore. The European Parliament has a prominent role in this process by way of its resolutions and the activities of its members, as the Parliament provides political incentives for policy developments. The Council of the European Union (which gathers representatives of member states’ ministries, or the European Council, composed of heads of states or of the governments) would be the key formal decision-maker in terms of a strategic framework for the Arctic. The Council has already taken a stance on Arctic policy in its 2009 Conclusions.⁷

Outside of the process of formulating strategic policy for the Arctic, when the EU adopts specific legislation that is Arctic-relevant, its institutions act within the legislative procedures based on the EU founding treaties (Treaty on the European Union and the Treaty on the Functioning of the European Union), which means in most cases a co-decision procedure of the European Parliament and the Council of the European Union. In contrast to its presence in the Barents region, the EU’s conscious engagement with the whole Arctic region is of fairly recent origin. As mentioned above, EU institutions started to take a more proactive approach to Arctic affairs only in 2006/2007, following the evolution of the EU’s Integrated Maritime Policy and the approach of the International Polar Year. With the global surge of interest in the Arctic in 2007/2008, especially due to concerns related to alleged geopolitical manoeuvres in the region, the EU expressed its concern, identifying Arctic developments as possibly affecting its security interests.⁸ A treaty for the Arctic was proposed in the 2008 resolution of the European Parliament, with a controversial reference to the Antarctic Treaty as an inspiration.⁹ Even though the European Parliament’s resolution did not represent the official standpoint of the EU, the concerns rose among Arctic actors regarding the EU’s possible actions as an active participant in Arctic affairs.

These initial responses to the changes in Arctic governance rapidly became more nuanced following the publication of the European Commission’s Communication on EU Arctic policy (2008).¹⁰ This communication, followed by 2009 Council Conclusions, started a process of formulating the basis for an active EU presence in the entire Arctic, not just the European portion of the region.¹¹ Numerous autonomous EU activities are to be brought under the umbrella of “Arctic policy”.

More recently, the European Parliament has focused on the EU’s role in ensuring the sustainable development of the region, affirmed the EU’s Arctic interests, and stressed a need for a co-ordinated EU policy.¹² The 2012 Joint Communication of the European Commission and High Representative underlined the notions of knowledge (connected with a further focus on Arctic research), responsibility (understanding the EU’s environmental and social impact and acting responsibly in shaping EU footprints and Arctic developments) and engagement (co-operation with various Arctic

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⁸ The High Representative and the European Commission expressed their concern: “The rapid melting of the ice caps, in particular, the Arctic, is opening up new waterways and international trade routes. In addition, the increased accessibility of the enormous hydrocarbon resources in the Arctic region is changing the geo-strategic dynamics of the region with potential consequences for international stability and European security interests. The resulting new strategic interests are illustrated by the recent planting of the Russian flag under the North Pole. There is an increasing need to address the growing debate over territorial claims and access to new trade routes by different countries which challenge Europe’s ability to effectively secure its trade and resource interests in the region and may put pressure on its relations with key partners”. See: Climate Change and International Security: Paper from the High Representative and the European Commission to the European Council S113/08, 14 March 2008, http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressdata/EN/reports/99387.pdf; Accessed 5 March 2014.

⁹ The European Parliament advocates in a 2008 resolution, “Suggests that the Commission should be prepared to pursue the opening of international negotiations designed to lead to the adoption of an international treaty for the protection of the Arctic, having as its inspiration the Antarctic Treaty, as supplemented by the Madrid Protocol signed in 1991, but respecting the fundamental difference represented by the populated nature of the Arctic and the consequent rights and needs of the peoples and nations of the Arctic region; believes, however, that as a minimum starting point such a treaty could at least cover the unpopulated and unclaimed area at the centre of the Arctic Ocean”. European Parliament resolution of 9 October 2008 on Arctic governance, 2010/C 9 E/07. para. 15, http://www.europarl.europa.eu/sides/getDoc.do?type=TAN&reference=P6-TA-2008-0474&language=EN; Accessed 5 March 2014.


partners). This is somewhat in contrast with the 2008 Communication, which emphasised the need for improvement of the Arctic governance framework, a statement received with apprehension by some Arctic actors. A similar more balanced approach is also evident in the most recent European Parliament Resolution from March 2014. While the Parliament has emphasised ambitious environmental goals (e.g. precautionary approach regarding fisheries), it has also acknowledged the existing situation in the region and shown great sensitivity regarding problematic issues (seal ban or hydrocarbon extraction).

One can observe that the approach of EU institutions to the Arctic has become more nuanced and cautious over the fairly short time that it has been formulating its Arctic policy, manifested in the 2012 Joint Communication. Compared with the 2008 Commission communication, the new Joint Communication is no longer critical of Arctic governance and expresses the EU’s willingness to engage responsibly to meet the challenges the Arctic region faces with its prime actors, namely the region’s nation-states and indigenous peoples. Various modes in which that is attempted, and ideas for how this engagement can be enhanced, are discussed throughout this report.


15. The 2008 Commission Communication reads: “The main problems relating to Arctic governance include the fragmentation of the legal framework, the lack of effective instruments, the absence of an overall policy-setting process and gaps in participation, implementation and geographic scope.”