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**RUSSIAN NATIONAL INTEREST IN THE ARCTIC,
ENERGY POLICIES AND GEOPOLITICAL GOALS**

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By

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ABSTRACT

The aim of this thesis is to put light on the motives and interest of the Russian strong presence in the Arctic region. In order to understand the Russian economic, politic, environmental policies and geopolitical goals, it is necessary to know how and why the Arctic region is so important for the Russian government.

In the first chapter entitled “Analysis of the current situation” the Russian national interests as well as Arctic strategies that the Russian Federation follows, are analyzed. Then the significance of the Northern Sea Route is analyzed. Firstly, the history of the exploration and navigation of the route is mentioned. Secondly, there is reference of the legal status of the NSR, of the Polar Code and the opportunities it can give, as the obstruction in the Suez Canal showed to the world in 2021. The last chapter refers to the relations of Russia with Arctic states, such as US, Canada, Norway and Denmark, non Arctic states, such as East Asian countries and organizations, such as NATO and European Union. Under this prism the remaining territorial disputes of Russia with other Arctic players is also analyzed. Concluding, some thoughts are put forward regarding the bilateral relations between Russian Federation and other states interested in the Arctic, the impact of the Ukrainian war on the policies followed in the Arctic and broadly on the possibility of an international cooperation or competition in the region.

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ACRONYMS

AC: Arctic Council

BEAC: Barents Euro-Arctic Council

CLCS: Commission on the Limits of the Continental Shelf

EEZ: Exclusive Economic Zone

EU: European Union

GDP: Gross Domestic Product

IMO: International Maritime Organization

NATO: North Atlantic Treaty Organization

NSR: Northern Sea Route

POS: Permanent Observer Status

RAZ: Russian Arctic Zone

R&D: Research and Development

SPIC: Special Investment Contract

UN: United Nation

UNCLOS: United Nations Convention on the Law of the Sea

USSR: Union of Soviet Socialist Republics

1. INTRODUCTION

The Arctic, as an object of modern attention, covers geopolitical, economic, military, social and other aspects. The Arctic has been many years now an attractive and promising territory for each and every country with growing interest in established changes. This unique area won the attention of both the subarctic countries and countries that are not geographically close to territory, because every state has a priority to use effectively raw materials and logistics potentially through the yearly use of the Northern Sea Route and transformation of it to an international commercial transit route, to biological water resources, development of subarctic regions, strengthening the national defense strategy, expansion of own shelf zones, establishing sole dominance over traditional fishing areas, R&D etc. Of course Russian Federation is one of them.

In May 2021, at the 12th Ministerial of the Arctic Council, Russia gained a good opportunity to pursue its goals by succeeding Iceland as council chair for two years. The first thing Russia and all member states did, was to announce the agenda for the coming years: sustainable development, protection of the environment and indigenous population, avoiding a worsening security situation and preparing to manage a crisis in accident or incident along the Northern Sea Route. The Council is committed to collaborative work among all members as well as because the Arctic region faces new challenges derived from climate change, new connectivity routes, the activity of non-Arctic powers, and security issues.

Russia- the state with the longest Arctic coastline- aims to take advantage of the chairmanship in order to pursue its geopolitical, social, economic and environmental goals in the Russian Arctic. The last five to ten years, Moscow has released Russian Arctic strategies and supporting documents for their implementation. Moreover, it has increased its investment in the region such as construction of civilian and military infrastructure. Because the federal budget is limited, Russia also tries to attract foreign investments not only from the Western countries but also from the East Asian countries, with China being at the moment one of the strongest partners.

It is obvious that the Arctic region is vital for Moscow including the fact that the region's contribution to the country's GDP is between 12 to 15 percent, and accounts for approximately 20 percent of the exports, including 80 percent of Russian gas and 17 percent of its oil. Moreover, the Kola Peninsula is Russia's only year-round ice-free access to the open sea and this is why the port in Murmansk is so important. Actually the significance of the Murmansk port is seen also from the fact that it was founded in 1916 by the Imperial Russia in an attempt to ensure communication with the West. Of course USSR took also advantage of it. On the other hand, it is also clear that the melting ice comes with many challenges and not only opportunities, which Russia needs to overcome in cooperation with other member states of the Arctic Council.

2. ANALYSIS OF THE CURRENT SITUATION

2.1 Russian national interest in the Arctic

In order to fully understand the current situation in the Arctic region and the consequences on the Russian policy, Russia's national interests in the Arctic needs to be analyzed. The Russian national interest has to do with economic, geopolitical, scientific and environmental aspects and can be grouped into different categories.

In 2020 Russia released its Arctic policy covering the years up to 2035, where it defines its "primary national interests" as follows: *a) ensuring the sovereignty and territorial integrity of the Russian Federation; b) preserving the Arctic as a territory of peace, stability, and mutually beneficial partnership; c) increasing the quality of life and wellbeing of the population of the Arctic zone of the Russian Federation; d) developing the Arctic zone of the Russian Federation as a strategic resource base, and its sustainable use to accelerate the economic growth of the Russian Federation; e) developing the Northern Sea Route as the Russian Federation's competitive national transportation passage in the world market; f) protecting the environment in the Arctic, preserving the native lands and traditional way of life of indigenous peoples residing in the Arctic zone of the Russian Federation.* (Kapoor, 2021)

One of the most significant advantages of this region is that 13 percent of the world's unexplored reserves, such as conventional oil, gas resources, mineral resources, abundant bio-resources -is under the Arctic ice. Almost all the Arctic natural gas resources (about 1,550 trillion cubic metres) are not at the Russian coast, but with most fields at a depth of under 500 meters. More than 200 potential fields have been discovered in the Barents, Pechora and Kara Seas. (Pilyavsky, 2011) The RAZ is also abundant in mineral resources and its mining industries produce diamonds, platinum, nickel, cobalt, rare metals and gold. (Heininen, Sergunin, Yarovoy, 2014) In addition to that, the Arctic possesses bio-resources such as a big variety of fishery and seafood that can be used for commercial reasons but also as a source of food for the native population and the animal species living in the region. For example, polar bear, walrus, white whale and narwhal. (Heininen, Sergunin, Yarovoy, 2014)

At the same time, the industrial significance of the RAZ emerges. During the Soviet regime major industrial base was created, and includes mining, oil and gas, pipeline systems, electric power stations, the Bilibin nuclear power plant, and significant transport infrastructure (rail and motor roads, airfields, river and sea ports, etc.). The Russian government along with private businesses intends to restore and further develop the industries and infrastructure of the RAZ because this is the first big and necessary step in order to achieve the economic development of the region and to increase the exploration and exploitation of natural resources. Simultaneously the scientific development, which stems from the fact that the natural processes in the region are aligned with global natural processes, will contribute to the practical implementation of economic and defense tasks. (Heininen, Sergunin, Yarovoy, 2014)

Moreover, the continuous ice melting will bring not only environmental concerns but also economic gains from the development and exploitation of the Northern Sea Route. In 2017 a cargo ship of the Chinese Cosco travelled for the first time through NSR, and proved that the route between European and East Asian ports can be shortened for 14 days. On the other hand it is also an important domestic route which connects not only Siberian rivers but also the European and Far Eastern parts of the country. (Lassi Heininen, Alexander Sergunin, Gleb Yarovoy, 2014) In 2018, the Russian government assigned to the State Atomic Energy Corporation, Rosatom, to develop the NSR infrastructure with an aim of a sustainable functioning. These included expansion of the ice-breaker fleet, improvement of search and rescue, communications, port infrastructure, construction of airports, railways lines, and weather prediction. The significance of the NSR as a primary national interest is also obvious in the Russian strategy for the Arctic up to 2035 where the development of the route is mentioned as a “competitive national transportation passage in the world market”. Although estimations do not suggest a steep rise in transit traffic, Russia does not intend on the international use of the route but more on inward-looking policies. (Kapoor, 2021) This has coincided with Russia’s deteriorating relations with the West even before the breakup of the war in Ukraine.

Environmentally, the Arctic territories play an important role in maintaining the biological balance on Earth and any kind of economic interest in the region cannot leave the environment and the sustainable development out of consideration. According to the World Commission on Environment and Development (WCED) “sustained development is possible only if meeting present-day needs does not undermine the potential of future generations to meet their own needs”. Since Russia is the only country engaged in large-scale economic activities north of the Arctic Circle where nature is highly vulnerable, the transition to sustained development of the northern territories gets a special importance. For many years the resources in the Arctic zone have been exploited with no regard for the consequences, leading to high ecological degradation. (Pilyavsky, 2011) As a result of intensive industrial and military activities in the region, many Arctic areas are heavily polluted and pose serious health hazards. Another environmental aspect is nuclear safety. Safety that must be provided while using the nuclear source of energy. Research has shown that Barents Sea area has the largest concentration of nuclear installations – both military and civilian – in the world, which means that at the same time it is one of the most vulnerable areas, prone to nuclear pollution. Especially when in the past, during the Soviet period, radioactive material from nuclear munitions factories in Krasnoyarsk, Tomsk, Chelyabinsk used to float down the great Siberian rivers and into the Arctic Ocean. The period from 1964 to 1991, fluid and solid radioactive waste was dumped in the Barents and Kara seas. According to some reports, the Soviet Union also dumped 13 nuclear reactors in the Kara Sea. Three reactors and a container with nuclear waste from the ice-breaker Lenin were also allegedly dumped in the sea. (Kapoor, 2021)

The biggest challenge pressuring the Arctic countries today is mitigating the negative effects of climate change, as the Arctic is warming at more than three times the

average global rate. Permafrost is melting, 65% of which is located on Russian territory, and damages not only local communities but also infrastructure. Melting glaciers and ice sheets, warming water and increased ocean acidity raise sea levels, contribute to coastal erosion, can disrupt the habitats of Arctic fish and other marine wildlife and also create less predictable and more dangerous weather patterns in the Arctic. This would also have a negative effect on the use of the NSR either as an international or as domestic transit route. (Chesnut, Fink, 2021)

Protection and improvement of the indigenous life in the RAZ is also listed among all the Arctic strategies dating from 2008 till today and was elaborated by the Concept for the Sustainable Development of Small Indigenous Population Groups of the North, Siberia and the Far East of the Russian Federation, released in February (Concept-2009). Furthermore, Russia participated in the International Decade of the World's Indigenous People (1995-2004) and the Second International Decade of the World's Indigenous People (2004-2015). The main objectives of all the above is to promote non-discrimination and inclusion of indigenous peoples in all processes regarding regional and national projects, participation in decision making which affects directly their lifestyles, to adopt targeted programs, budgets and monitoring mechanisms for the development and improvement of their lives. These actions show full recognition of the serious social and economic problems indigenous people are facing. For instance, the incompatibility of their traditional way of living with current economic conditions, low competitiveness of traditional activities, alcoholism, rising disease rate, low life expectancy etc. (Heininen, Sergunin, Yarovoy, 2014)

Last but not least is the strategic and military importance of the Arctic Region for the Russian Federation. New security challenges have emerged because of rising temperatures as scientists warn that the region will be "ice-free" during summer by the 2040s. Since frozen border areas are being exposed, all defense related activities will be increased in the region. Especially Russia, as the state with the longest Arctic coastline, is deeply concerned about the implications on its national security. In its 2035 strategy, Russia has included among its challenges, the "military build-up by foreign states in the Arctic and an increase of the potential for conflict in the region." It is also stated that it aims to ensure the country's military security, and guard and defend the state border. On the other hand, the naval doctrine talks about building dual-use infrastructure in remote areas of Arctic and the Far East. (Kapoor, 2021) From 2008, dating from the Presidency of Dmitri Medvedev, a period of Arctic Doctrines, military and naval doctrines started, which included long-range bomber patrols, regular naval patrols, creation of the Northern Command in 2014 and the Northern Fleet, protection of national interests in the Arctic as the main task of the armed forces. Moreover, the doctrines list as basic aims the national defense, border security, safety of EEZ and NSR, prevention of military force against Russia, increase of the combat capabilities of its forces and control over air, surface and underwater activities in RAZ. Also, Russia's second-strike nuclear capability is based on Kola Peninsula and protected by key military assets in case of threats to Russian sovereignty, Northern Sea Route and Arctic resources. Although these actions may seem to have an imperialistic and nationalistic ground, they have in reality more of a defending base as Russia sees itself to be threatened and have an insecurity dilemma, which the government tries to overcome by enhancing all its defense activities.

It is obvious that the Arctic is very important strategically not only for Russia but also for the adjacent countries. However, although the possibility of an international

military conflict is a perceived threat, as witnessed by the build-up of military presence in the Arctic by all countries, it is unlikely to happen. But for Russia it is very important not to weaken its position in the Arctic because it may lose a significant part of the Arctic zone and its control over the Northern Sea Route. (Pilyavsky, 2011) That would weaken not only the border territories but also the country's economic stability. The West is concerned over Russia's increased militarization of the Arctic through the construction of bases and modernization of military capabilities in the region but in an interview in 2021, Russia's senior Arctic official Nikolay Korchunov stated that Russia "doesn't view the Arctic as a theater of military actions because of the significance of the Arctic for Russian national interests, primarily economic." It remains to be seen how Russia will balance recent trends, the war in Ukraine, nuclear deterrent with its new chairmanship role of the Arctic Council, an organization which is dedicated to maintaining peace and cooperation in the Arctic. (Chesnut, Fink, 2021)

Another advantage of maintaining peace and stability in the Arctic region is the achievement of energy security. In accordance with the Doctrine Energy Security of the Russian Federation, approved by Decree of the President of the Russian Federation of May 13 No. 216, *"energy security-the state of security of the economy and the population of the country from threats to national security in energy sector, which ensures the implementation provided for by the legislation of the Russian Federation requirements for fuel and energy supply to consumers, and also fulfillment of export contracts and international obligations of the Russian Federation"*. Since Russia is the largest manufacturer and energy exporter with significant hydrocarbon reserves, an efficient use of energy resources is necessary to achieve sustainable economic growth, to improve the quality of life and to strengthen its foreign economic position.

2.2 Russia's Arctic Strategy

From the above analysis, it is clear that the Arctic region is a zone of strategic national interests of the Russian Federation. The Russian Arctic Zone occupies about 20% of the country and accounts for a significant share of national income and national exports. Being one of the leading Arctic powers Russia is interested in maintaining its status-quo and forming the necessary conditions for sustainable and effective development of transport energy framework in the region through its Arctic Strategy. As mechanisms for the implementation of the Arctic Strategy, Russia is supported by State programs, federal and departmental targeted programs, sectoral strategies, regional and municipal programs.

The Ministry of the Russian Federation for the Development of the Far East and the Arctic developed a decree of the President of the Russian Federation "On the fundamentals state policy in the Arctic and national security until 2035" as well as the "Development Strategy of the Arctic until 2035". In these strategies it is defined not only the national interests but also the measures to increase economic and social development.

Specifically the current regulation is the following:

- Fundamentals of the state policy of the Russian Federations in the Arctic for the period until 2020 and further perspectives approved by the President of the Russian Federation 18/09/2008 No. Pr-1969. According to this state policy the Arctic zone should be used as strategic resource base capable of meeting the needs in hydrocarbon and other raw materials of the country and the Northern Sea Route as national transport route in the Arctic. Development of energy infrastructure in the region should be based on the use of renewable and alternative energy sources, of energy-saving materials and technologies.
- Development Strategy of the Russian Arctic Zone and the national security for the period until 2020, approved by the President of Russian Federation 08/02/2013 No.Pr-232. Here are stated the problems of the region such as high energy intensity and low efficiency of extraction processes, underdevelopment of the energy system, high cost of generation and transportation of electricity. To overcome these problems there is urgent need of introduction of innovative technologies, development of transport, energy and telecommunications infrastructure, differentiation of power supply schemes, including the construction of nuclear thermal power plants, improvement of the energy efficiency, expansion of the use of renewable energy sources, energy independence, integrated study of the continental shelf and coastal areas, implementation of the state support measures and monitoring programs, improvement of the customs tariff and tax regulation and socio-economic assessment.

- State Program “Socio-economic development of the Arctic zone of the Russian Federation for the period up to 2020”, approved by the Government of the Russian Federation on 21/04/2014 No366(as amended on 31/03/2020). The purpose of the Program is to increase the level of socio-economic development of the region by improving the quality of life and security of the population in the RAZ, creating the conditions for the development of the NSR as national transport route, developing science and technology, increasing the resource base efficiency of RAZ and Russian continental shelf.
- Development Plan of NSR infrastructure for the period up to 2035, approved by the government of the Russian Federation on 21/12/2019, No3120-r. The plan provides measures for the implementation of seaports and terminals for cargo traffic and international navigation along the NSR, shipbuilding, aviation, railway, energy infrastructure, rescue and navigation support, icebreaking fleet, environmental safety, personnel and medical support.
- Federal Law “on State Support for Entrepreneurship in the Arctic Zone of the Russian Federation”, introduced by the Russian government and adopted by the State Duma of the Federal Assembly of the Russian Federation, No.7916-7, as of 12/03/2020. Objectives of this Federal Law are to adopt measures for the economic development of the region, stimulation and activation of investment and entrepreneurial activity in the region, creation of an economic basis for advanced social development and improvement of the quality of life in the region, modernization of infrastructure facilities funded by the federal budget, the budget of municipalities and at the expense of extra budgetary sources using mechanisms of public-private partnership. The management of the Arctic Zone will be carried out by a collegial body, the State Commission for the development issues in the Arctic. Also, it is proposed to establish for individual entrepreneurs and commercial organizations, which have the status of residents of the Arctic zone, special measures to support their activities such as taxation, administrative and other benefits.
- Federal Law “on the Development of the Arctic zone of the Russian Federation”, not included in the State Duma of the Federal Assembly of the Russian Federation, as of 08/11/2017. The aim of this Federal Law is to create the conditions for socio-economic development of the Arctic through the formation and function of the state development support, attraction of investment and development of the mineral resource centers.

As far as the financing of the Arctic Zone's development is concerned, there is a direct mechanism deriving from federal budget. The amount of funding for the program is approved by federal law regarding the federal budget. The special significance of the Arctic zone for the development of the energy sector is also noted in the Russian Energy Strategy. In accordance with the "Energy strategy of Russia for the period up to 2030" strategic initiatives should be developed regarding fuel, energy complex, hydrocarbon potential of the continental shelf of the Arctic seas as well as energy transport infrastructure in the northern territories.

Energy projects act as "points of growth" when implementing the strategy of socio-economic development of the RAZ. Innovative energy projects and preparation of a large-scale development of hydrocarbon resources in the Arctic zone are able to ensure a big increase in the energy export. That is why the Russian Energy Strategy for the period up to 2035 has given priority as well as to issues of state support and international cooperation in the field of providing cost-effective and environmentally friendly development of the energy resources and development of the NSR for their delivery to international markets.

Regarding the NSR, its boundaries and legal status are determined by the Federal Law of July 28, 2012 No.132-FZ "On the introduction of amendments to certain legislative acts of the Russian Federation in terms of state regulation of the merchant shipping in the waters of the Northern Sea Route". According to the Federal Law the organization of navigation of ships is open to foreign ships and is carried out on permissive and reimbursable basis, bringing significant revenues for the country's budget. Priority for the maritime navigation is to ensure the availability of freight and passenger transportation, year-round operation of the NSR and expansion of the geographical transport network. In accordance with the Decree of the President of Russia on May 7, 2018, No.204 "On national goals and strategic objectives of the development of the Russian Federation until 2024" was elaborated a Comprehensive Plan for Modernization and Expansion of the main infrastructure for the period up to 2024, approved by the government of the Russian Federation on September 2018 No.2101-r. Purpose of the Comprehensive Plan is to develop the most important transport corridors for transportation of goods and to increase the level of economic connectivity of the territory through expansion and modernization of the railway, aviation, road, sea and river infrastructure.

A necessary condition for the implementation of goals and objectives regarding Russia's Arctic Strategy is to strengthen the coordination of the activities of public authorities. In order to improve public administration in the sphere of the development of the RAZ, the Ministry of the RF for the Development of the Far East was renamed to Ministry of the RF for the Far East and the Arctic, with additional public policy making functions and development regulation in the sphere of the RAZ. The main measures of the state policy are to provide state support for business entities primarily for the development of hydrocarbon resources and other useful fossils, as well as to stimulate the implementation of new projects through co-financing from the different budget levels of the budget system of Russian Federation. It seems that the Russian state plays an important role in the development of the Arctic Region, especially since this region has a high investment potential, in particular in the field of development and extraction

of minerals, construction of infrastructure and other energy facilities. However, for investors the energy projects in the Arctic Region have many limitations and hide risks. For instance, high cost and labor intensity, long-term nature, harsh environmental conditions, the need for expensive equipment and highly qualified specialists. That is why a comprehensive state policy can form in the region a favorable investment climate and the most powerful tool is the taxation. The current tax legislation provides with a number of instruments to stimulate investment and innovative activities.

The Special Investment Contracts (SPIC) is an important tool responsible to combine effectively the public interest with the interest of investors. So, in 2018, this contract was brought in effect by the production of equipment for wind turbines in Ulyanovsk region. The projects partners were a Danish company, named Vestas, the Russian company “Rusnano” and a consortium of investors of the Ulyanovsk region. A SPIC was concluded for a period of 8 years with mandatory requirements the localization of the production up to 75% by 2021 and export availability at the level of at least 5% of total production. In return, the company receives tax benefits, such as zero income, property and transportation tax, and the status of a domestic manufacturer.

Another tool to stimulate investments in the region is the accelerated depreciation mechanism for fixed assets. Accelerated depreciation allows companies to increase own investment resources, to accelerate the turnover of fixed capital and reduce the risk of long-term investments. From 01/01/2019 the tax legislation set a multiplying factor of no higher than 2 for the main technological equipment, if it is set as the best available technologies in the List approved by the government of the Russian Federation. However, this List does not include innovative energy equipment and technologies, as well as oil and gas industrial engineering equipment.

Also, the legislation of the Russian Federation allows energy companies to exercise in some cases the right to an investment deduction. From 01/01/2018, in accordance with article 286.1 of the Tax Code of the Russian Federation, the subjects of the RF have the right to establish an investment tax deduction for corporate income tax. This deduction reduces the corporate income tax payments by the cost of the acquisition, or modernization of fixed assets. Currently, the right to use investment tax deduction is established on the territory of the Yamalonenets Autonomous Okrug but it is not applied to energy companies, because it is recommended by the legislation to apply this tax deduction if an energy company acquires innovative equipment. Implementation at the regional level all the above mentioned measures of direct and indirect economic incentives will attract investments and stimulate the economic development of the Arctic Zone of the Russian Federation.

3. THE IMPORTANCE OF NORTHERN SEA ROUTE

3.1 History of NSR

The Northern Sea Route is the shortest sea route between European part of Russia and the Far East. The Russian legislation defines it as “historically established national unified transport communication of Russia in the Arctic”. The route passes through the seas of the Arctic Ocean (Kara, Laptev, East Siberian and Chukchi) and it does not have a fixed route because the track depends on the weather and ice conditions. The length of the Northern Sea Route from the Kara Gates to Cape Dezhnev can reach up to 3000 nautical miles. The water area of the Northern Sea Route is understood as the water area adjacent to the north coast of the Russian Federation, covering inland maritime waters, territorial sea, contiguous zone and the exclusive economic zone of the Russian Federation and is limited to the east by the line of demarcation with the United States and the parallel of Cape Dezhnev in the Bering Strait, to the west by the meridian of Cape Zhelaniya to the Novaya Zemlya, eastern there is the coastline of Novaya Zemlya archipelago and the western borders of the straits Matochkin Shar, Karskie Vorota, Yugra Shar. The NSR is part of the Northern transport corridor and the largest ports of the Northern Transport Corridor are Murmansk and Arkhangelsk, and in the NSR zone are Igarka, Dudinka, Dixon, Tiksi and Pevek.



https://arcticportal.org/images/stories/Arctic_Shipping_Portlet/nep.jpg

Until the end of the first decade of the 21st century, the main purpose of the NSR was to provide food and other goods for residents of the Arctic regions, as well as transportation of minerals.

The history of the exploration of the North goes back many centuries ago. The first evidence is on Pytheas, a Greek from Massalia, who between 350 and 310 BC travelled to England and then reached a “gloomy land” he called Thule, beyond which “there is no sea or land or air with some mixture of all these elements hanging in space”. (Borodachev, Alexandrov) This was the perception of the North until the 9th to 11th century, when the Norsemen in the Barents and White Seas appeared. In the 10th century the camps of Pomors appeared in the mouths of the Onega, Dvina and Pechora Rivers hunting seals and walrus in the White and Barents Seas. For long voyages in the northern seas they designed a sailing ship, which was named “Koch”. So, the first outstanding expeditions were conducted by Russian sailors. In 1032 a team headed by the Novgorodian voevode Uleb made the first known sea voyage eastward of the White Sea and reached Kara Gate and Yogorskiy Shar. In the 12th century, Novgorodian merchants of fur in Yogorskiy Land, had crossed the Yamal Peninsula. Throughout the 13th to 15th centuries the Pomors sailed into the Kara Sea and one of the many achievements of their voyages in the northern seas was the discovery of many islands such as Novaya Zemlya and Spitsbergen.

In 1601-1602 Pomor Lev (Leonty) Ivanovich Shubin sailed from Northern Dvina to the Taz Bay, where later the city of Mangazeya was founded- the first Russian polar city in Siberia. Mangazeya sea route- route from White Sea to Western Siberia- became one of the most important transport highways of Pomors. In 1648 Semyon Dezhnev and Fedot Popov set off on an expedition from Kolyma River (Magadan Region) to Bering Strait, which separates Alaska from Chukotka. Rounding this extreme eastern point of Asia, Russian sailors called it “Big Chuckchi Nose”- today it is known as Cape Dezhnev. (Skolkovo, 2020) These voyages were highly dangerous because they were made on wooden boats and without knowledge of the climate, ice and navigation conditions. However, they left data for future explorers.

At the beginning of the 16th century, when Spain and Portugal had dominated all the known shipping lanes, the other European countries had to find new, alternative routes, mostly across the Nordic seas. The Arctic was geographically unknown as the maps of the period indicated. In the second half of the 16th century, Dutch and English merchants did many expeditions to the Arctic with the aim of passing through the ice. Three of them were conducted under the command of Willem Barents.

At the end of this century Russia also began exploration of Siberia and the Far East, and within half century Russia claimed the northern lands, took a leading role in the development of Arctic shipping and the overseas trade, which was then concentrated in the only seaport, Arkhangelsk. Between 1610 and 1619 no fewer than 16 or 17 ships sailed annually along the Ob’ and Taz Rivers to Mangazeya. However the use of this route was banned by the Moscow Government in order to prevent foreign penetration into Siberia, causing a lot of harm to the development of shipping in the north. (Frolov, Alexandrov, Borodachev)

In the 17th century, Russian seafarers passed through Northeast Passage along the Taymur Peninsula coast and rounded the Cape Chelyuskin. These expeditions in the 16th and 17th centuries contributed to the knowledge of the real length of the Northeast Passage, coastline of the Eurasian Arctic seas and ice conditions. *“All north coast of Eurasia, excluding part of Taymur, was passed by the Russian seamen before 1650 and this achievement really belongs to the Russians”* (Armstrong, 1996).

In the first half of the 18th century Russia became a powerful sea state and was exploring the coast of Eurasia from the White Sea to Kamchatka. One of the greatest discoveries was in 1728 when V. Bering passed to the north of Kamchatka and found that Asia did not connect with America. The Great Northern Expedition, commanded by V. Bering, obtained the most important geographical discoveries and scientific results in 1733-1743 by surveying the coast of the Arctic Ocean. It also described and mapped the entire coast of the Arctic Ocean and discovered Alaska. That is why, in general, the Great Northern Expedition is one of the most effective expeditions in the history of earth's exploration. (Alexandrov, Borodachev, Frolov)

Later, M.V Lomonosov based on the collected data, compiled a map of the Polar Regions and determined the features of the natural conditions of the Arctic Ocean. These voyages showed also how severe were the ice conditions along the NSR during the period 1733-1743. All ships were trapped in the ice and yet continued the efforts to pass along the coast of Taymur Peninsula and reached the Pacific Ocean but it was obvious that wooden ships could not succeed it. At the end of the 18th century the English sail men also attempted to master the Northeast Passage but with no success. After that, no further attempts were made until the middle of the 19th century.

In the 19th century several significant expeditions were carried out in the northeastern Arctic, which paid a lot of attention to oceanographic, ice, meteorological and other studies. During these expeditions many Arctic islands were also discovered. The first successful voyage through the NSR was conducted by a Swedish scientist A.E Nordenskjöld, who was financed by the Russian goldmine owner A.M Sibiryakov, Swedish King Oscar 2nd, and manufacturer O.Dikson. (Alexandrov, Borodachev, Frolov)

The end of the 19th century and the beginning of the 20th century is characterized by the renewed interest of the Russian Government in the Arctic. The Emperor's Academy of Science organized a polar expedition in order to conduct studies in the Laptev Sea and the New Siberian Islands, to map the coast, which also contributed to meteorology, ice research, geology, geophysics, botany and zoology. (Alexandrov, Borodachev, Frolov) The importance of the NSR increased after the Russian-Japanese war of 1904, during which surveys of the Arctic coast were continued. In 1910-1915 the hydrographic expedition to the Arctic Ocean led to the most important geographical discovery of the 20th century, which was the Severnaya Zemlya Archipelago and in September of 1916 the Russian Government officially claimed these lands as part of its territory. (Gramberg and Ushakov, 2000) The ships of this expedition traversed completely the NSR from East to West in autumn of 1915 but as they were not able to complete the navigation in one summer, it made obvious that this route could not be used for practical shipping. However, this expedition made the first hydrographic description and issued navigation maps for the entire Northern Sea Route. By the beginning of the 20th century the shores and the mainland was surveyed, mapped and hydrographic work finished, all of which resulted in the publication of navigation maps of Russia's Arctic Seas and of books which proved that the Arctic Seas were not 100% covered with ice and their ice regime was not the same year to year. (Alexandrov, Borodachev, Frolov)

However the trade shipping had begun from the second half of the 19th century in the Kara Sea, exporting Siberian mineral resources and importing industrial goods. This cargo shipping necessitated the development of technical facilities, such as icebreakers, which was proposed by the Russian Admiral S.O Makarov and approved by the Marine Ministry of Russia. The name of the icebreaker was *Yermak* and after the unsuccessful Arctic voyages in 1899 and 1901, it was relocated to the Baltic Sea. The Russian icebreaker fleet was dramatically increased during the First World War. By 1917 Arkhangelsk port numbered 24 icebreakers. (Alexandrov, Borodachev, Frolov)

The first ship to travel all the way from east to west in one navigation, was an icebreaker "Fedor Litke", called in honor of Admiral and Arctic explorer Fyodor Petrovich Litke. The ship's ice protection was not good for such harsh conditions and it is surprising that this one, and not powerful icebreakers, managed in 1934 to pass the Northern sea route "in one sitting". Its feature design was that he pierced the ice with his sharp hull, and did not push through it, as icebreakers did. Later, Fedor Litke set another record – during expedition of 1955 found the deepest point in Arctic Ocean - 5449 meters - Litke deep. (ckolkovo, tom 3) In 1959 the first nuclear icebreaker *Lenin* was launched and then in 1975 the nuclear icebreaker *Arktika* opened year-round navigation in the western sector of the Arctic. Generally, nuclear icebreakers gave the NSR the status of a transportation route of National Importance.

After a decline in traffic along the NSR in the period from 1994 to 2010, when transportation was carried out mainly for the tasks of the Norilsk industrial hub, new industrial projects in the Arctic and the positioning of the NSR as an alternative route between Europe and Asia, led to a significant increase of transportation, especially the year of 2019.

Cargo on the North Sea Route 1933 - 2019

total cargo volumes in tons x 1000



Source: SRM on CHNL Information Office, 2020
ECFR · ecfre.eu

The initial growth in cargo traffic was provided by the importation materials and cargo for new mining and industrial projects. Already, since 2014, the growth of cargo traffic associated with the start of oil production at Novopotorskoye field. During 2011-2013 there was a sharp increase in transit, and after that a similar sharp drop. Transit drop can be explained because of the decrease in the cost of petroleum fuels, after the fall in oil prices, which led to a significant decrease in economic efficiency transit along the NSR for ship-owners, reorientation for deliveries of condensate to the Baltic ports and iron ore concentrate to the railway. A growth in demand for icebreaker assistance for new projects in the Arctic, given the limited number of icebreakers, has also diverted Atomflot's efforts from attracting transit cargo to the NSR. These two factors led to a catastrophic drop in transit by more than 1 million tons. From 2014 to 2018 NSR cargo turnover increased by 35-68% per year, with growth from year to year. (Skolkovo, 2020)

As a result of global warming and consequently mass melting of Arctic ice, the Northern Sea Route opens new opportunities for navigation along the northern coasts of Russia. The first example of this was the Chinese cargo ship "Yong Sheng" from Cosco Group, which started its travel from Port of Dalian to Rotterdam on August 8th and after 34 days arrived to the Dutch port on September 10, delivering about 19 thousand tons metal products. In comparison to the route through the Suez Canal, this on average takes 48 days. Thus "Yong Sheng" became the first cargo ship that made a commercial journey along the Arctic route. Severe ice conditions in the Arctic require icebreaking escorts. According to FSUE "Atomflot" significantly the volume of icebreaking assistance and a single gross tonnage of ships sailing in the Arctic are increasing. The average duration of the passage of the NSR has decreased from 15 days in 2014 to 9.5 days in 2019.

The main prospects for the development of the NSR are related to the implementation Decree of the President of the Russian Federation of May 7, 2018 No. 204 "On National Goals and Strategic Objectives of Development Russian Federation for the period up to 2024" «15. to the Government of the Russian Federation on the basis of spatial development strategy of the Russian Federation to develop with the participation of state authorities of the constituent entities of the Russian Federation and until October 1, 2018 approve a comprehensive modernization and expansion plan backbone infrastructure, providing provision in 2024: a) development of transport corridors "West – East and "North-South" for the transportation of goods, including through the development of the Northern Sea Route and increase cargo traffic through it up to 80 million tons;”

Realizing the great strategic importance of the NSR, the government of the Russian Federation has established additional requirements for ships carrying out transportation of certain cargoes along the NSR.

At the end of 2018, amendments to the Merchant Shipping Code came into force, in accordance with Federal Law No. 460-FZ dated December 29, 2017 "On Amendments to the Merchant Shipping Code of the Russian Federation..." requirements were introduced for sailing under the state flag of the Russian Federation for the transportation of hydrocarbons and coal.

Also, exclusively for ships flying the State Flag of the Russian Federation, the following is carried out: sea transportation of oil, natural gas (including in a liquefied state), gas condensate and coal under the jurisdiction of the Russian Federation, including on the continental shelf of the Russian Federation, and loaded onto ships in the waters of the Northern Sea Route, to the first point of unloading or reloading; storage of oil and oil products, natural gas (including in a liquefied state), gas condensate and coal, if such storage is carried out on a ship in the waters of the Northern Sea Route.

These requirements also apply to storage oil, oil products, natural gas, incl. LNG, gas condensate and coal in the water area of the NSR. **This requirement strengthens the position of the Russian Federation in the Arctic and creates conditions for the development of storage infrastructure and transshipment in Russian ports.**

Initially, a high level of cargo traffic did not perceived as realistically achievable. Development Issues of NSR were discussed at a meeting of the Government of the Russian Federation on 12/11/2018 with stakeholders on the development action plan to avoid disruption of the implementation of the Decree of the President of the Russian Federation dated May 7, 2018 No. 204. There were opinions about the impossibility of fulfilling it in 2024 and the need for not explosive, but organic growth of the cargo turnover along the NSR, about the need to account for 80 million tons per year of cargo traffic in the Arctic zone of Russia west of the Kara Gate. However, optimism quickly returned, and in 2019, a number of estimates already exceeded the level of 80 million tons. On the other hand, the global recession of the world economy at the beginning of 2020 has influenced these plans. The Russian government says again that without the border expansion of the Northern Sea Route the target value of 80 million tons is unlikely to be achieved by 2024. In order to determine how possible it is to achieve the level of cargo turnover along the NSR, a number of key positions must be evaluated:

1. Sources of the cargo base formation for achieving a cargo turnover of 80 million tons per year on the NSR in 2024.
2. Calculation of the required fleet for transportation manufactured products;
3. Ability to transport carbon and hydrocarbon parts of these cargoes must be under the State flag of the Russian Federation. (Skolkovo, 2020)

3.2 Legal regime of NSR

The main international treaty applicable to the Arctic Ocean is the UN Convention on the Law of the Sea of 1982 (UNCLOS). The Russian Federation ratified the 1982 Convention by Federal Law 30-FZ of 26 February 1997. (Bobrova, 2016) The NSR water area is a water space covering the internal sea waters, the territorial sea, the contiguous zone, and the exclusive economic zone of the Russian Federation, the appropriate clauses of the 1982 Convention are applicable (articles 2–33, 55–75 etc.).

Moreover, the article 234, "Ice-Covered Area", is particularly important for the regulation of navigation in the NSR water areas. According to this article, *coastal states have the right to adopt and enforce non-discriminatory laws and regulations for the prevention, reduction and control of marine pollution from vessels in ice-covered areas within the limits of the exclusive economic zone, where particularly severe climatic conditions and the presence of ice covering such areas for most of the year create obstructions or exceptional hazards to navigation, and pollution of the marine environment could cause major harm to or irreversible disturbance of the ecological balance. Such laws and regulations shall have due regard to navigation and the protection and preservation of the marine environment based on the best available scientific evidence.* (UNCLOS)

In accordance with this article Russia is applying Special national legal regime of navigation along the NSR. The Basic Principles of Policy of the Russian Federation in the Arctic for the period up to 2020 and beyond as well as the Strategy for the Development of the Arctic Zone of the Russian Federation and for Ensuring National Security for the period up to 2024, define the use of NSR, the integrated national transportation route, as one of the top national interests of Russia in the Arctic.

The main regulatory act applied to the area in Russia is **Federal Law 132-FZ** of 28 July 2012 "On Introducing Changes into Individual Legislative Acts of the Russian Federation Pertaining to the State Regulation of Commercial Navigation in the Northern Sea Route Water Area" (Federal Law 132-FZ), often referred to as the Russian NSR Law. **It introduces the new concept of "the Northern Sea Route water area" as a water space adjacent to the Russian Northern coast and covering the internal sea waters, the territorial sea, the contiguous zone, and the exclusive economic zone of Russia.** To the east it is limited by the line demarcating the Russian and the US maritime spaces and the Cape Dezhnev parallel in the Bering Strait, to the west it is limited by the Cape Zhelaniya meridian up until Novaya Zemlya archipelago, the eastern coast line of Novaya Zemlya archipelago, and the western limits of Matochkin Shar, Kara Gates, and Yugorsky Strait. (Bobrova, 2016)

Because the navigation through the NSR is possible only after authorization, the Northern Sea Route Administration was established on 15 March 2013. The management of the navigation in the NSR Route includes receiving applications for vessels to sail in the NSR water area, issuing permissions for navigation, issuing certificates to persons engaged in ice piloting, monitoring the hydro meteorological, ice, and navigational situation, assisting in mounting search and rescue operations, assisting in elimination of the consequences of pollution from ships with hazardous and noxious substances, sewage, and garbage, providing information on navigation, ensuring navigation safety, providing navigational and hydrographic, hydrometeorological assistance in vessel navigation, providing icebreaker support etc.

All the necessary information on navigation the NSR Administration publishes it on its website on Russian and English. In the first semester of 2016 for example it issued totally 635 permissions, 132 of them were issued to ships flying foreign flags. The website also lists tariffs for icebreaker support by Atomflot indicating the approved maximum tariffs. The tariffs for icebreaker support services and ice pilotage in the area are based on the federal legislation on Natural Monopolies. (Bobrova, 2016)

As far as commercial navigation along the NSR is concerned, the main legal source is the Merchant Shipping Code which is a codified law and applicable to the NSR water area according to the Federal Law 132-FZ amendments. This Code regulates among other things the ships used for pilotage, ice pilotage, icebreaker support, search, and rescue and tugging, for environmental protection and preservation, as well as for educational, sports, cultural and many other purposes in the NSR region. Moreover, the “Socio-economic Development of the Arctic Zone of the Russian Federation until 2020”, the “Development Plan of NSR infrastructure for the period up to 2035” and the “Northern Sea Route Comprehensive Development Project” are tools for the development of the NSR. All of them introduce measures for the infrastructure and port development, navigation along the NSR, marine equipment, construction and defense in the NSR water area. (Bobrova, 2016)

3.3 The Polar Code and Navigation along the Northern Sea Route

On January 2017 the IMO's International Code for Ships Operating in Polar Waters (Polar Code) was entered into force and it is mandatory under both the International Convention for the Safety of Life at Sea (SOLAS) and the International Convention for the Prevention of Pollution from Ships (MARPOL). It has been developed to supplement existing International Maritime Organization's (IMO) instruments in order to increase the safety of ships' operation and mitigate the impact on the people and environment in the remote, vulnerable and harsh polar waters. (Bobrova, 2016)

The Polar Code requires ships that operate in the polar waters, in this case in the Arctic waters, to apply for a Polar Ship Certificate, which can categorize the ships into three categories. Category A ship refers to ships designed for operation in polar waters at least in medium first-year ice, Category B ship refers to ships not included in category A and Category C ship refers to ships designed to operate in open water or in ice conditions less severe than those included in Categories A and B. Except for the certificate, ships need to carry a Polar Water Operational Manual, to provide the owner or the operator and the crew with information about the operational capabilities and limitations of the ship. All these is necessary because ships operating in the Arctic environments are exposed to harsh environmental conditions and to unique risks that also have to do with cold temperatures and remoteness of the area.

The Polar Code comprises into two Parts except for the Introduction, which has mandatory clauses applicable to both parts. Part 1 regulates the safety measures, such as ship structure, safety of navigation, voyage planning, life-saving appliances and arrangements etc and Part 2 regulates pollution prevention measures, such as pollution from oil, noxious liquid substances, sewage from ships etc. Both parts have mandatory clauses and recommendations. Every ship covered by the Polar Code must have on board a valid Polar Ship Certificate and the Polar Water Operation Manual. (Bobrova, 2016)

Russia has taken numerous steps to harmonize its national legislation with the provisions of the Polar Code. The provisions of the Polar Code were implemented in Russian legislation through a set of amendments to existing national acts. In particular, on 9 January 2017, the Ministry of Transport issued a decree amending the 2013 Rules of Navigation on the Water Area of the Northern Sea Route. Since its entry into force, there have been a small number of registered violations of the Polar Code on the Northern Sea Route (NSR). To a large extent, this could be explained by the fact that the bulk of navigation on the NSR falls out of the scope of the Polar Code. Another reason is that Russia continues to implement its national navigation rules, which in some cases impose stricter requirements than those of the Polar Code.

The NSR is Russia's historic and strategically important transportation route. Because ships, both with Russian and foreign flags, navigate its water area, it is governed by the generally recognized principles and norms of the international law, the international treaties Russia is party to, Federal Law 132-FZ and many other federal laws and regulations adopted in accordance with international and national laws.

3.4 The opportunities and challenges of the NSR after the Suez Canal Obstruction in 2021

In 23rd March to 3rd April 2021, the 400m, 20.000-tonne container, named Ever Given, obstructed the Suez Canal. The Suez Canal blockage affected not only the global shipping industry but also retailers, supermarkets and manufacturers, since the Suez Canal is the shortest sea link between Asia and Europe. The 6-day obstruction by the Ever Given showed to the world how vulnerable the global supply chain is and how important it is to find an alternative short route, since the route of Cape of Good Hope in Africa to the Far East can take two weeks longer. (Hataya, Huang, 2021)

From the perspective of risk diversification, expanding the use of the Northern Sea Route has become an option that can come into realization. Comparing with the cargo shipping route from the Far East to Europe via the Suez Canal, the accessibility of Northern Sea Route could provide an advantage in the traveling distance, since it can be decreased by 14 days. For instance, the navigational distance between Rotterdam and Yokohama is only 11,100km (6,900 miles) via NSR, whereas through the Suez Canal 18,400km (11,430 miles). (Hataya, Huang, 2021) The expanding use of the NSR will not only reduce the navigation distance but also serve as a development opportunity for the abundant natural resource of mining in the Siberian and Russian Far East regions. Having these motivations, Russia wants to present the accessibility of the NSR as commercial potential to facilitate international shipping and the world market and saving twelve to fourteen days. However, the economic advantage of using the NSR is higher when the freight, bunker and commodity prices are also high. Then it makes more sense to use the shorter route rather than the conventional route. A good example for that is in 2021 when the usage of the NSR was booming.

In order to sail in the Arctic Ocean unique skills and specifications are required. That is why the Russian government introduces a specific permission system and provides with icebreaker support based on the weather and ice conditions of the Arctic region and always in accordance with UNCLOS's article and Polar Code. Nevertheless, there is a big problem regarding the emergency evacuation system and the provision of medical assistance to crew members of the ships navigating in the water area of the NSR. (Hataya, Huang, 2021) From 2021 there are only three bases for search and rescue at the ports of Dikson, Pevek and Tiksi although the harsh environmental conditions of the Arctic region require more. In the "Strategy for Developing the Russian Arctic Zone and Ensuring National Security through 2035" is pointed out the need in the development of the infrastructure, the lack of which delays the implementation of economic projects in the Arctic.

Another important issue is the lack of the ice-class vessels, necessary for a permanent and stable traffic flow also during the winter months. During summer period and because of the climate change the ice melts and it is easy for ships to navigate along the NSR but this is not enough if the target is to have a profitable and year-round navigation. And despite the fact that there is a well planned strategy on how to achieve socio-economic development in the region, there is lack in finding financial support apart from the federal budget.

Nevertheless, the last 2 years more and more dialogues take place among entrepreneurs, stakeholders of shipping, energy firms to finance the development projects in the Arctic and to bring into realization the year-round navigation along the NSR. (Hataya, Huang, 2021)

The obstruction of the Ever Given brought also an environmental aspect into the light. While the vessel remained obstructed in the Suez Canal, the SO₂ emissions in the air on the Mediterranean side of the canal rose to five times the average level and once the Ever Given was able to navigate the canal, the SO₂ emissions decreased. This incident pointed out the fact that it is necessary to use technology to increase energy efficiency and reduce greenhouse gas emissions. This can happen not only by investing in new “green” technologies and sources of energy but also by using a shorter transport route. At the same time the use of NSR will give new economic opportunities to new players, such as Japan. Specifically, as Singapore has been the Asian hub for the Suez Canal, Japan can become the hub for NSR. (Hataya, Huang, 2021) Even if NSR is still not as cost-competitive as the Suez Canal in terms of its freight fees, transportation cost and need in icebreaker support, it has great future potentials which will benefit not only Russia but also the global trade.

4. ASSESING THE PROBLEMS OF THE RUSSIAN ARCTIC

4.1 Relations with major Arctic Players

One of the priorities of Russia's policy is not only to maintain the status of an Arctic super power but also to keep good bilateral relations with the coastal states of the Arctic Ocean (USA, Canada, Denmark, Norway), the three sub-Arctic countries (Sweden, Finland and Iceland), non-Arctic states such as China, Japan and South Korea, international organizations and forums related to the Arctic such as UN, AC, BEAC and Nordic institutions. Bellow Russian policies towards key Arctic players are going to be analyzed.

I. U.S.-RUSSIA

The US and Russia share a maritime border along the Bering Strait and around the Arctic Ocean. The USA's continental shelf contains 31% of the undiscovered oil reserves in the entire Arctic but the American interest can be divided into more categories such as military interest, maritime presence and security, strategic Terrence, ensuring freedom of navigation and overflight. Above all, the United States has political and economical interest of expanding their presence and activity in order to keep the status of a global super power. Washington wants also to maintain freedom of navigation through Arctic and in the NSR and this is the key to understand the bilateral relationship between US and Russia. During the Cold War, Arctic was mostly an area of military and strategic confrontation with the Soviet Union, whereas now the economic interest that could be gained through cooperation is higher and more important. (Heininen, Sergunin, Yarovoy, 2014)

Nevertheless, to achieve cooperation both states need to overcome their different points of view regarding important Arctic issues. First of all, the status of the NSR is seen differently. United States seeks to define it as international and ensuring freedom of navigation and overflight. This is something that Russia cannot accept as it would cost not only its revenue from the use of the route by other countries but also would increase military and strategic insecurity.

Moreover, the role of the Arctic Council is seen differently. Russia wants to expand its role and power regarding all Arctic issues but US on the other hand prefers the Arctic Council to be a forum for discussion and without the ability to make binding decision. Instead it wants to expand the presence of the NATO in the Arctic region. But both countries share an interest in continued in cooperation on safeguarding Arctic waters, research and preserving the environment. In 2015 the five nations bordering the Arctic Ocean (Russia, USA, Norway, Canada, and Denmark) adopted a prohibition on fishing in the high seas of the Arctic. This did not affect fishing within their territorial or Exclusive Economic Zone waters. Since then, there has been an international effort to establish to safeguard Arctic because it is within the interest of both the US and Russia.

So in that way the Arctic's rich fish stocks do not get destroyed by overfishing.

Furthermore, from May 2008 the five countries of the Arctic Council signed the Ilulissat Declaration, which recognized the Convention on the Law of the Sea of 1982 as the legal basis for drawing borders and resolving problems through negotiation, although United States has not ratified the UNCLOS and it is difficult to overcome the disputes regarding the borders of the Arctic sea and the continental shelf. For example, US is opposing to Russian expansion of the shelf to Lomonosov and Mendeleev shelf. (Heininen, Sergunin, Yarovoy, 2014)

Despite the above mentioned tensions as well as the war in Ukraine, which has worsen the bilateral relationship not only with the United States but also with the West countries, there is potential for cooperation especially in the fields of research, environment protection, exploitation and extraction of natural resources. Especially, as far as the economic factors is concerned, there is mutual benefit because US can offer big energy companies and investors that have the know-how and Russia needs it along with investment in infrastructure to achieve socio-economic development of the Russian Arctic Zone.

In 2018 the two countries came together to create rules for ships traversing the Bering Strait and Bering Sea by identifying fixed corridors in order to prevent collision as well as to protect the environment by avoiding ecologically fragile areas. However, the US is facing a decline in its presence in the region mostly because of lack of ice-class vessels, icebreakers and infrastructure. (Kapoor, 2021) It has only two icebreakers at present, which are not enough to meet all the needs of shipping traffic channels, necessary for security reasons, Arctic drilling, and research. On the other hand, Russia has a fleet of 40 icebreakers which will be increased with a dozen more, and mostly nuclear-powered, by 2035. Of course the main challenge for US does not arise from the number of the icebreakers but from Russia's growing missile, air and surveillance capabilities. Finally, given the current state of Russia-US ties, during the Ukrainian war, it is likely but not 100% sure that these tension will affect the Arctic region and the policy followed by the Arctic Council because on one hand the Council does not address security issues in any form, on the other hand five of the eight Arctic Council permanent members are NATO allies—i.e., Canada, Denmark, Iceland, Norway, and the US. Sweden and Finland remain close partners of the US and other western states. This fact makes urgent the need for diplomacy to ensure that the risk of a conflict in the Arctic region remains low.

II. Canada-Russia

Canada has the second largest coast in the Arctic following Russia. Its main interest is the exploitation of its vast natural resources such as gas, oil and methane hydrane, the commercial production and development of which is not ready because safe technologies and safety measures have not been worked out. Another priority is the socio-economic and environmental development as well as the exploitation of the North West Passage, over which Canada claims control. These priorities were pointed out in 2009 in the Canada's Northern Strategy: Our North, Our Heritage, Our Future. (Heininen, Sergunin, Yarovoy, 2014) It is obvious that Canada and Russia have common

international interest in the North because there is a big potential for resource development, new transportation routes, and growing climate change impacts. Diplomacy, cooperation and international law were always the key for bilateral relations between the two countries but since the annexation of Crimea and the Ukrainian crisis in 2014 a “frozen period” started. The discussions were lowered to the minimum although US and European leaders continued to have regular discussions. Also, Canada boycotted the Arctic Council meeting in Moscow in 2014 in protest of the Ukrainian crisis and Russian involvement. (Tischhauser, 2015)

Despite the fact that there are many reasons for competition there is also prospects of Russian-Canadian cooperation in the Arctic. There are a number of documents that address Arctic issues. For instance, the Political Agreement on Consent and Cooperation of June 19, 1992, and a series of economic agreements: Promotion and Reciprocal Protection of Investments (1991); Trade and Commercial Relations (1992); Economic Cooperation (1993); Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and on Capital (1995); Air Communication; Principles and Bases of Cooperation Between the Federal Districts of the Russian Federation and the provinces and territories of Canada (2000); Cooperation in the Peaceful Uses of Atomic Energy (2007). (Heininen, Sergunin, Yarovoy, 2014)

Apart from the above mentioned legal framework there is also progress regarding the institutional framework. In 1995 Russia and Canada created the Intergovernmental Economic Commission, which has subcommittees and working groups on construction, fuel and energy, mining, the Arctic and the North. Outside the IEC a working group is operating on cooperation in the field of climate change. In addition, the Canada-Russia Business Council was created in October 2005, which consists of working groups on agriculture, mining, energy, information and telecommunications technology, transport, finance, and the forest industry. (Heininen, Sergunin, Yarovoy, 2014)

It is obvious that these two countries have established themselves many opportunities for cooperation in many different fields. Firstly, regarding the trade and economic cooperation there are many joint investment projects in the Arctic, such as development of the Mangazeyskoe silverpolymetallic field in Yakutia, the Northern Air Bridge project which involves the creation of communication between the airports in Krasnoyarsk and Winnipeg at trans-polar shipping between the ports of Murmansk and Churchill, the adoption of the Canadian “cold asphalt” technology in the construction of roads etc. Secondly, there is scientific and technological cooperation. In 2011 Russia and Canada signed a Joint Statement on Cooperation in Science, Technology and Innovation to promote the areas of energy efficiency, nanotechnology, biometrical technology, climate research and the Arctic. These efforts require ice-vessel fleet, which Russia can provide and partnership between the universities. Thirdly, many projects are implemented regarding the protection of the environment in the region and most of them are under the umbrella of the program “Conservation and Restoration of the Biological Diversity of Northern Territories and the Environmental Protection, Cooperation in the Field of Agriculture and Forestry”.

Also, all of the programs referring to environmental protection of the Arctic region are under the surveillance of the Arctic Council. (Heininen, Sergunin, Yarovoy, 2014) As far as the indigenous people, living in the coastal areas of both countries, is concerned there are also many joint programs implemented. For example, in the

program “Exchange of Experience in Managing Northern Territories” are participating the Plenipotentiary Representative of the Russian President in the Siberian Federal District and the Canadian Department, supported by the Institute of Economics and Industrial Engineering from the Russian Scientific Academy. The purpose is to create for indigenous minorities a territory of traditional nature, infrastructure and facilities for traditional local sports and cultural exchange between the indigenous peoples of the Russian and Canadian North. (Heininen, Sergunin, Yarovoy, 2014)

In the security sector, have been also some positive actions. The two countries, for instance, have signed in 2004 a Russia-Canada intergovernmental agreement on cooperation in the destruction of chemical weapons, dismantlement of nuclear submarines decommissioned from the Navy, and accounting, control and physical protection of nuclear materials and radioactive substances. Soft security has also a significant role in the bilateral relations. New threats from climate change are arising and need different ways to be solved. Unfortunately, all the aforementioned efforts and mainly security cooperation have been suspended as a result of the crisis in Ukraine starting in 2014 and continuing until now with the war in Ukraine. (Heininen, Sergunin, Yarovoy, 2014)

The most important binding factor between Russia and Canada is that both countries put emphasis and promote the role of the Arctic Council, which was created at Canada’s initiative in 1996. Both countries have the common goal to maintain the Arctic Council as the primary forum for Arctic cooperation, discussion and resolution center regarding all issues concerning the Arctic region, such as the environmental, the political, economic, cultural issues etc. Both Russia and Canada are also in favor of the confirmation of the priority of the 5 Arctic coastal states in decision making and at the same time they want to set clear boundaries to the other non Arctic states and their status as observers in the Arctic Council. (Heininen, Sergunin, Yarovoy, 2014)

III. Norway-Russia

Russia and Norway are both littoral states of the Arctic Ocean and even though they have overlapping interests and goals it is noted that they have been at peace for over than one thousand years. After the collapse of the Soviet Union in the 90’s, Russia had better relations with Norway than with many other Western states because Norway did not have a highly anti-Russia rhetoric and many Norwegian companies invested in the petroleum sector, telecommunication, media, and breweries and have made large profits. (Overland, Krivorotov, 2015)

On the other hand Russian companies, Rosneft and Lukoil, have been allowed onto the Norwegian continental shelf, and many Russian tourists, students and immigrants preferred Norway not only for vacation but also to study and leave permanently there. Nonetheless, there are at least two main reasons for concern regarding the bilateral political relationship between the two countries. Firstly, their complex direct interaction in the Barents Sea and secondly the broader political relationship between Russia and the West, of which Norway is a part. Especially nowadays after the breakup of the war in Ukraine in February 2022.

In 2010 Russia and Norway signed a treaty on delimitation of the maritime territories in the Barents Sea, which is divided in two by the 1,680-km Norwegian–Russian maritime boundary. The length of this boundary, means that the two countries have extensive and complex relations because it crosses some of the

world's richest fish stocks. At the same time this delimitation treaty put an end to more than 40 years of negotiations and tensions between these two countries and was a good start for cooperative bilateral relations. For example, in the 1990s and 2000s, Norway, for environmental reasons, introduced strict rules and fixed quotas to regulate fishing in the region, which were never accepted by the Russian side and caused regular tensions. Also, on one hand, Russia has only one year round port in the Barents Sea, the Murmansk port. On the other hand Norway has in its territory the Svalbard Archipelago, which gives other signatory states including Russia the right to exercise economic, maritime, research, and other activities on the archipelago in accordance with the 1920 Svalbard Treaty. Last but not least at all, the Barents Sea leads to the Pacific Ocean through the NSR.

It is obvious that these give many opportunities for competition as well as cooperation between the two countries regarding the joint management of fish stocks, illegal fishing, coast guards arresting fishing vessels, oil spills, nuclear accidents etc. This is why both countries decided to sign the delimitation treaty in 2010. Both Russia and Norway realized that their mutual economic interest outweigh many other differences. Norway particularly was interested to develop the hydrocarbon reserves in the disputed area because oil production had been decreasing since 2001. Russia on the other, wanted to resolve at least of its disputes in the region and focus on the remaining one with Denmark and Canada. Another reason is that both countries signed and later ratified the 1982 United Nations Convention on the Law of the Sea, which provided with necessary rules and processes to solve this kind of disputes. (Overland, Krivorotov, 2015) Last but not least, by signing this treaty according to the UNCLOS rules, both countries showed themselves as trustworthy states that resolve their differences within the limits and according to international law.



<https://www.bbc.com/news/business-11316430>

Despite the delimitation of the region in the Barents Sea another cause for conflict between Russia and Norway remained the Russian presence on Spitsbergen. Norway opposes to Russian fishing around Spitsbergen since it introduced a 200-mile economic zone around the archipelago but Russia does not recognize this decision and considers this area open to international economic activity. (Heininen, Sergunin, Yarovoy, 2014)

As both countries are significant energy suppliers of Europe, a strategic partnership in the extraction and exploitation of oil and gas is of high importance and could lead to marginal incomes. Unfortunately, some attempts for cooperation from Russia's Gazprom, Norway's Statoil, and France's Total set up the Shtokman Development AG Company and to develop the Shtokman gas-condensate field in 2008 was postponed for the indefinite future. Almost the same happened in 2012 with the agreement between Rosneft and Statoil on cooperation in the joint development of parts of the Russian shelf of the Barents Sea and the Sea of Okhotsk. (Heininen, Sergunin, Yarovoy, 2014) Although there are many opportunities for the development of economic relations in the Arctic everything has frozen because of the Ukrainian crisis in 2014, the economic sanctions against Russia that followed the annexation of Crimea and nowadays the war in Ukraine, which makes it even more uncertain about how this story is going to end and what will be the consequences.

IV. Denmark-Russia

The Kingdom of Denmark including Denmark, Greenland and the Faroe Islands, is considered a coastal state due to Greenland. It is necessary to mention though that within Greenland there is a majority of people wanting to gain full independence from Denmark. At the last parliamentary elections this was announced from the representatives of almost all parties with the exception one, but there is still no consensus on how exactly and how fast should such a process take place. (Ткаченко, 2020) Both the Kingdom of Denmark and Russian Federation have overlapping continental shelf claims in the Arctic Ocean which they try to solve based on the UNCLOS. Denmark plays also a strategic key role in the Arctic through Greenland. USA operates since 1953 the Thule Air Base in North Greenland which has as result to work even nowadays as deterrence and national US missile defense. (Bertelsen, 2020) That means Denmark has a balancing role between the USA and Russia and can explain why President of the United States Donald Trump mentioned his desire to buy this island.

In accordance with the 2011 Arctic Strategy the Kingdom of Denmark has as priority to ensure that the Arctic remain peaceful and secure, if all states follow international law, to achieve self-sustained growth by using renewable energy sources and sustainable exploitation of biological resources, to preserve the climate and the environment and biodiversity of the Arctic region and to enhance international cooperation in order to find global solutions for global challenges. At the same time, the use of "soft power" is also expected, both within the state and regarding its bilateral relations as well as through foreign representations in the form of public diplomacy. Although Denmark tries to solve all territorial disputes on the basis of Ilullisat Declaration signed in 2008, Russia sees Denmark's behavior as the hardest one in the

term of delimiting the Arctic shelf. Denmark is opposing to Russian's claims on Lomonosov Ridge and tries to prove instead that the Lomonosov Ridge is an extension of the Greenland Plate. (Heininen, Sergunin, Yarovoy, 2014) Interestingly, the area of territorial claim is about twenty times larger than the area of Denmark itself, excluding the Faroe Islands and Greenland. Actually it includes the North Pole and the underwater of Lomonosov Ridge with a length of 1800 km, which is also claimed for Canada apart from Russia. (Ткаченко, 2020)

V. East Asian Countries-Russia

Global climate change is reshaping the Arctic region and attracts the interest not only of coastal Arctic states but also of East Asian countries-especially of China, Japan and South Korea. This interest can be explained mainly by providing two reasons. Firstly, these countries do not have natural resources and secondly Arctic has vast natural resources. So, their main interest is based on economic aspects and then on transportation and logistics. (Heininen, Sergunin, Yarovoy, 2014) Moreover, East Asian nations are motivated to engage and to invest in the Arctic because they are looking for alternative energy sources in order to diversify their energy suppliers and to reduce their energy insecurity, especially after the earthquake in Japan in 2011, the Arab Spring in the Middle East and North Africa and the constant oil and gas price volatility. (K. Hara, K. Coates, 2014)

Specifically China looks for business opportunities arising from the opening of the Arctic passages and better access to Arctic resources and for that reason it tries to maintain good governance in the Arctic. Japan's Arctic policy is driven from the need to combine scientific findings with economic interests. Also, it makes diplomatic efforts toward indigenous groups in the region. South Korea has specific interests in the fields of science, sea routes and hydrocarbon resources, fishing and governance. South Korea has made significant progress in entering the Arctic Ocean, but many challenges still need to be overcome. (Hara, Coates, 2014)

Transportation and logistics are of high importance because the Northwest Passage is the shortest route from the Atlantic to the Pacific, and the Northern Sea Route, which passes along the Russian Arctic coast, can minimize the distance for about 14 days. Environmental aspects play a significant role too. China has pointed out that there might be a correlation between high global temperatures, ice melting in the Arctic and natural disasters occurring in China. (Heininen, Sergunin, Yarovoy, 2014) Although East Asian countries have pursued bilateral relations with the Arctic states and their own policies within institutions, Russian policy in the Arctic differs on many issues.

Russia is against the internationalization of the Arctic. East Asian countries promote the idea that Arctic should be a common wealth of global humanity under the protection of the international law and the exploitation of every state. This is something Russian Federation cannot and will not accept as it is totally against its national interest and priorities because the Arctic is seen as the source of natural resources, which bring to national income and since Russia is dependent on export of energy, it does not want

to share the most significant income sources. For the same reasons Russia is against the internationalization of the Northern Sea Route. Even nowadays, that the NSR is not used at his full capacity, it contributes to the national federal budget through the collection of the tariffs.

Regarding the upgrade of their permanent observer status Russia as well as Canada opposes to it. First of all, both countries consider that East Asian countries have not contributed to regional cooperation and have not invested or do not have a clear investment plan. Secondly, it will be unfair to other states interested in the Arctic area if only East Asian countries receive an upgraded permanent observer status. This could also lead to an unhealthy competition or even worse it may affect negatively the bilateral relations with other non Arctic states or international organizations. Another consequence could be that an upgraded observer status could legitimize their demand for the exploitation of the natural resources in the Arctic Region. (Heininen, Sergunin, Yarovoy, 2014)

Nonetheless, Russia started to oppose less to grant East Asian countries POS because of two reasons. Firstly because of the economic sanctions from the West after the annexation of Crimea in 2014. This prevented American and European firms from participating in Russian Arctic oil and gas development and as a result Russia had to turn to the East to find new partners. Secondly because these countries promised big investments that would enhance the socio-economic development of the Russian Arctic Zone. As a result in 2013 at a meeting of the Arctic Council, China, Japan, South Korea, India, Singapore and Italy were granted of Permanent Observer Status. (Heininen, Sergunin, Yarovoy, 2014)

Specifically, China is currently the major importer of Russian oil and gas but this will eventually decline because China has a target of carbon neutrality by 2060. Still China does not hide its interest in the Arctic. For example, with its White Paper, released in 2018, it proclaimed itself a “near-Arctic state”, has announced the Polar Silk Road as part of its flagship Belt and Road Initiative and as stakeholder wants to take part in forming the Arctic agenda. For this reason it tries to enhance its presence in the Arctic and invests not only in Russian Arctic’s LNG projects but also in Greenland, in 5G partnerships with Icelandic companies, and in scientific research. Moreover, the use of NSR is a good chance to reduce its Malacca Strait Dilemma and to decrease the time and cost of transportation. In order to take full advantage of the NSR without relying on Russia’s icebreaker support, China has built two icebreakers and is in the process of building a nuclear-one. (Kapoor, 2021) Despite China’s efforts to increase its presence in the Arctic, Russia insists on the primacy of the coastal Arctic Five regarding the governance of the Arctic region.

India is also worthy to be mentioned as it started its research in 2007 and received the permanent observer status in 2013 along with China, Japan and South Korea. There is scientific evidence that the ice melting in the Arctic is responsible for monsoon patterns and rising sea waters in India. According to its draft Arctic policy from 2021, India is mostly interested in the Arctic region for research, scientific and climate studying purposes. Of course transportation, cooperation and development is also among its interest. As far as Russia is concerned, India is already part of the BRICS and invests in their bilateral relationship as it will facilitate the achievement of its goal to economic development. That does not mean it will neglect building partnerships with other Arctic states. On the contrary. (Kapoor, 2021)

VI. NATO-Russia

Mostly since 2008 NATO started the attempts to redefine its position and policy in the Arctic Region. Through statements, meetings and representatives NATO made it clear that it will focus on “soft” security, which means it will deal with the protection of the Arctic environment, indigenous people, global warming and risks of ecological disasters as well as manmade disasters, such as oil spillovers and so on. Of course military exercises and the military purpose of the NATO policy will not be excluded, especially when its members, such as Norway and Denmark, rely on its support against Russian expansion in the region. (Heininen, Sergunin, Yarovoy, 2014) For instance, in March 2009 NATO conducted in Norway exercises under the name Cold Response, the scenario of which that a small democratic state protects its right against the a large non democratic state that has declared its rights on an oil deposit. Russian experts believe that the small state was compared to Norway and the large non democratic state to Russia.

Moreover, in 2009 NATO’s former Secretary General Jaap de Hoop Scheffer brought into the light the global competition for resources as the new military priority. That means actually that NATO’s military development will depend from the political, operational and strategic situation all around the world, the global reserves and distribution of natural resources. With this statement Scheffer declared NATO’s interest in the Arctic and proposed to use NATO as a mechanism for dialogue and as a problem-solving mechanism where the Arctic States could discuss and search for a solution to their differences regarding all Arctic related issues.

There are many different explanations about NATO’s involvement in the Arctic. According to one view, NATO wants to maintain its role as regional and global security keeper, especially when so many and different organizations with the same role have appeared, ex. the UN, EU. Another opinion is that NATO tries to show its willingness to take over peacekeeping tasks although it has still the ability to deter any military threat. Also, states that are NATO member and have a coast in the High North, want to take advantage of their membership in order to promote their own interests in the Arctic region. For instance, Norway, Canada and Denmark cannot defend on their own their economic, military interests against Russian expansion and rely on the support from NATO and its allies. (Heininen, Sergunin, Yarovoy, 2014)

On the other hand, many experts believe that NATO would not be able to follow a collective policy in the Arctic because each member-state has its own ambitions, interests and policy to follow. However, environmental concerns and economic interests seem to have established collaboration in the region among all Arctic players.

It seems though worrying the situation after the war in Ukraine started in February 2022. Even from March NATO’s presence in the Arctic increased. On 21st March a Norwegian-led military exercise was held in Sandstrand, in the Norwegian Arctic were US soldiers also participated. Russia is also concerned about the long-planned military drills between NATO, Finland and Sweden in the region. All the above mentioned activities cause insecurity and as the Russia’s senior diplomat at the Arctic Council intergovernmental forum, Nikolai Korchunov, said on April 17 that “if the

Western military alliance continues its Arctic activities, unintended incidents might occur.”

The Arctic is one region where the Arctic states have achieved a balance and collaboration by sharing Arctic coastline, harsh environmental conditions, bilateral agreements on maritime law, environmental balance, security and search-and-rescue operations. Unfortunately, nowadays this balance is very fragile and can be disrupted because of the war in Ukraine and the policies that the countries will follow. Russia, already shares the Arctic coastline with five NATO member states, plus Finland and Sweden have expressed their will to join NATO. All these countries send their military and financial support to help Ukraine against Russian. Moreover, all members of the Arctic Council decided to boycott talks in Russia, which is currently chairing the Atlantic Council until 2023. So for now, the group’s work has been put on hold. This is the first time the Arctic Council is seeing something like that, although it has survived different periods of tension. This time it remains to see what will happen.

VII. EU-Russia

European Union started to be interested in the Arctic region since the 1990s mainly because of the general global interest in the environment and the climate change. Also, many European countries, especially Finland, Denmark and Sweden, were participating in the global competition for natural resources, the control of transport routes and generally for an active role in the Arctic.

Ever since 2007/2008, the European Union (EU) and its various institutional actors have been developing a dedicated EU Arctic policy by setting common positions. The turning point was when Russia in 2007 during its expedition to the North Pole planted a Russian flag at the bottom of the Arctic Ocean. (Aliyev, 2020) Since then EU has tried to find ways to gain legitimacy, more influence and more responsibilities in the region.

The first attempt to get seriously involved was in 2008, when the European Commission released a communication on “The European Union and the Arctic Region,” which outlines the key points of the EU’s Arctic strategy by setting goals, making recommendations for the organization of Arctic research, indigenous peoples, fishing, the extraction of hydrocarbons, navigation, political and legal structures, and interaction with regional and international organizations. The three main priorities were the protection of the Arctic environment, the development of the region and ensuring multilateral cooperation. Although it was mentioned that multilateral cooperation could be achieved through dialogue and on the basis of the UN Convention on the Law of the Sea, Russia and the BEAC, which are important Arctic players, were hardly mentioned. (Heininen, Sergunin, Yarovoy, 2014)

In July 2012, the Commission and the EU’s High Representative for CFSP submitted a progress report and an evaluation of the EU Arctic Policy. In 2013 at the Kiruna Ministerial Meeting the EU obtained “observer-in-principle” status, this means that, although it is not the final decision, the EU has rights in practice as any other observer. (Aliyev, 2020) In 2014 started a conversation about the need to release new Communication regarding the EU’s Arctic Policy, which was released in 2016. The communication of 2016 is based on previous initiatives and it also focuses on advancing

international cooperation, which is necessary to deal with the impacts of climate change on the Arctic's fragile environment, to promote sustainable development, especially in the European part of the Arctic. The priority area is also similar but the framework is more coherent. The emphasis that EU should put is on research, science and innovation in order to achieve international cooperation, sustainable development in the Arctic and to safeguard the Arctic Environment. All these actions should play an important role for the implementation of Agenda 2030 and be in line with the 17 Sustainable Development Goals adopted by the United Nations in September 2015. (Aliyev, 2020)

The latest EU's Joint Communication was released in 2021, which outlines an EU Arctic policy and would be affected both by the tensed EU-Russia relations and by the economic and political impact the war is going to have on Europe. For the very first time the geopolitical changes in the Arctic as an important aspect of the EU's regional objectives and actions were highlighted. The Union placed emphasis on the geopolitical consequences of the climate change, the increased demand on natural resources, international cooperation in the Arctic, relations with the Russian Federation and the Chinese interest in the Arctic region. Additionally, the 2021 Joint Communication included implications of the European Green Deal that were relevant to the Arctic. European Union will attempt to strengthen its presence in the region but, unlike NATO or the United States, without putting emphasis on military power, preferring to use diplomatic and economic methods.

From Russian perspective it has found itself more vulnerable than the other Arctic states, mainly after the Ukrainian crisis in 2014. Russia needs foreign investments for its economic projects, technology and the know-how to extract natural resources in the most difficult parts of the Arctic region and primarily from the off-shore fields. For this reason it has a significant interest to maintain peaceful relationships and cooperate both with Arctic and non-Arctic players. However, the war in Ukraine, Syria, power projection in the Arctic has brought tensions with the West and economic sanctions, which makes it difficult for Russia to achieve socio-economic development of the region. One way to escape from that is to diversify its energy partners by turning to the East Asian countries and particularly to China, but even with China there is also risk to become dependent and must diversify China as well. So having stable relations with the European countries is always among the priorities but it is not always depicted in the official security documents, which emphasize the strengthening of securitization in the Arctic. (Aliyev, 2020)

Despite tensions in EU-Russian relations since 2014, they both had been able to continue cooperation in the North based on selective engagement. For instance, scientific cooperation, people-to-people (businesses, Indigenous peoples) interactions facilitated by the Barents Euro-Arctic cooperation, the Northern Dimension policy and different EU cross-border cooperation programs. Unfortunately, all these EU-Russian interaction frameworks are now paused and under threat in the long-term.

4.2 Territorial Disputes in the Arctic

The Arctic Circle is the north polar region of the Earth where there are five different types of territory within it. Particularly there are land, internal waters, territorial seas, exclusive economic zones and international waters. According to UNCLOS internal waters are waters adjacent to the land of a state such as rivers, lakes and bays. Territorial sea is the sea that extends up to 12 nautical miles beyond land and a country has full sovereignty. EEZs are seas that extend 200 nautical miles or sometimes can reach 350 nautical miles from land and a state has exclusive economic rights over marine resources, such as exploration and exploitation, fishing etc. International waters are seas that everyone can use, there is freedom of navigation and the international public law is applied. Maritime border is the 200 nautical-mile region off the coast of a state. Looking at a current map of the Arctic Circle, the current maritime borders leave only a small region of international waters that reach the North Pole and a little of the Arctic Ocean. That means that this territory can be claimed from any state that has the ability to prove it belongs to it.

The territorial claims are processed according and via the UNCLOS. In accordance with UNCLOS countries have the right within 10 years from the treaty ratification to submit a territorial claim as well as proof, such as ecological and scientific evidence that there is a natural prolonged continental shelf beyond their EEZ 200 nm border. The claim is submitted to and processed by the UN Commission on the Limits of the Continental Shelf and its ruling is final and binding. In case of many territorial claims from different countries on the same region, then it is up to the countries to find a solution and resolve their delimitation disputes. In the Arctic Ocean there are some pending territorial disputes mainly between Russia, Denmark and Canada.



<https://prezi.com/1wzruiavcxjl/arctic-territorial-claims/>

In 2001 Russia was the first country that referred to CLCS, creating that way a legal precedent. (Heininen, Sergunin, Yarovoy, 2014) Then in 2006 Norway also applied to CLCS and got a positive decision. So, in 2001 Russia submitted its documentation regarding the Lomonosov Ridge and the Alpha-Mendeleev Ridge and arguing that they are both natural extensions of its continental Siberian shelf, which means that parts of the Central Arctic Ocean, of the Barents Sea, the Bering Sea, and the Sea of Okhotsk, fall under its jurisdiction and it claimed sovereign right over the seabed resources beyond 200-mile line. The CLCS found the documentation insufficient asked Russia to resubmit with more information regarding its claim. In order to collect data for the resubmission Russia organized several expeditions to the Arctic Ocean and one of them was in 2007 when Russia also planted a flag in the bottom of the Arctic Ocean. It is also very interesting the fact that the military was also employed. For example a nuclear auxiliary submarine assisted two ice-breakers in drilling on the Mendeleev Ridge. Finally, in 2015, Russia resubmitted new scientific documentation regarding its claim, though a decision on the issue is not expected soon due to the number of issues pending. (Heininen, Sergunin, Yarovoy, 2014)

Not only Russian Federation but also Canada and the Kingdom of Denmark via Greenland assert that Ridge is an extension of their own continental shelf. On the other hand, the United States claims it to be an oceanic ridge and not an extension of any State's continental shelf, and therefore does not recognize any claim to its ownership.

In 2014 Denmark submitted a partial claim to the United Nations Commission on the Limits of the Continental Shelf (CLCS) under the article 76 of UNCLOS to attempt to prove that the Lomonosov Ridge is an extension of Greenland's land mass. Even dating from 2011 the Kingdom of Denmark had mentioned in its "Strategy for the Arctic 2011 – 2020," that it will submit data and other material to the CLCS as a basis for extension of the continental shelf beyond 200nm on three areas near Greenland, including the Lomonosov Ridge because if it proved that the Lomonosov Ridge extends from Greenland's continental shelf, it would give Denmark access to a big part of the seabed around the North Pole.

In 2019 Canada also submitted its partial claim that the ridge is an underwater extension of Ellesmere Island. If the decision of CLCS is positive that the Lomonosov Ridge is an extension of Canada's continental shelf, then Canada would have access beyond its exclusive economic zone of 200nm, particularly to the seabed and its resources across the continental shelf. Canada was required to submit bathymetry, seismic and gravity data to substantiate its claim.

The decision from CLSC regarding any extension is based on scientific research to determine its geological validity. In this case all parties have agreed to approach the issue through the legal mechanisms and are willing to follow the provisions of international law. This approach shows willingness not only to maintain cooperation, but also to keep other countries out of the region. Broadly, Arctic states deal with any kind of dispute through the prism of international law, diplomatic dialogue and seek to solve any claims through negotiations. Actually, the Russian foreign policy concept of 2016 also recognizes the importance of cooperation among regional players for sustainable development of natural resources. Of course, UNCLOS plays a significant role, and even states such as US that has not ratified the Convention, follows more or less its

rules. Finally, despite the differences over maritime routes and delimitation processes, there have been no reports of aggressive actions by any party in these areas.

5. CONCLUSION

The events and developments discussed in this paper collectively have an impact on geopolitics in the Arctic. The Arctic Council, since its formation in 1996, remains the key organization for strengthening cooperation among the member states. All parties of the Arctic Circle as well as all states interested in the Arctic Region, have demonstrated commitment to follow the provisions of the international law that apply in the area. A good example is the Norway-Russia agreement over their Barents Sea border in 2010 or the US-Russia decision over Bering Straits in 2018 at the height of their bilateral tensions.

Russia's Arctic policy continues to aim for a peaceful and cooperative region despite the deterioration of its relations with the West, the economic sanctions and the war in Ukraine. Particularly the war in Ukraine has not only worsened to the limit its relationship with the European countries and NATO allies but also has put a huge economic burden on its federal budget. This economic stagnation will be an obstacle in achieving the socio-economic development of the Russian Arctic Zone, which needs foreign investment, west technologies and the know-how on extraction of natural resources in the hazardous environment of the Arctic. Moreover, without having the ability to negotiate with none of its former partners, because many Arctic states boycott meetings and conversations with Russia, it will not be easy to sustain its great power status and to deal with many challenges such as environmental. And is broadly known that the climate change is something that no one can deal on its own. Only through cooperation could the impacts of the environmental changes decrease.

Another objective of Russian Arctic policy is to be prepaid in case of an incident or accident along the Northern Sea Route, because otherwise its status as a great Arctic power could be diminished if it would not be able to manage a crisis. Furthermore, finding a good balance with the East Asian countries and particularly with China and its investments is very important.

For the aforementioned reasons Russia assumed that the rotating chairmanship of the Arctic Council for two years in 2021 would give it the chance to demonstrate a successful stewardship by focusing on economic development, scientific and environmental cooperation as well as to show peaceful intentions. Unfortunately for everyone this opportunity has frozen and the international community has entered a phase that makes it difficult to predict how and when it will end. It seems that the success from security point of view had a price. More specifically, Russia succeeded within a decade to restore its military presence on the borders of its territories, gradually modernized its Northern fleet although it had to deal with problems such as delays, corruption etc. The price that it paid is the insecurity they caused to EU and NATO countries, which led to an increased presence both in the Arctic and in the Russian borders and finally with the war in Ukraine it also led to aggravation of tensions with most of all the Western countries.

Nevertheless, the situation even today shows that there is low intensity tension, with the Arctic having avoided for now direct conflict.

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