

SUMMARY

Developments in the Arctic are of critical importance to the UK's security, environment, and energy supply. Although the region was once an area of "high co-operation and low tension", that is changing.

Average temperatures in the Arctic are rising several times faster than the global average, putting at risk the region's unique ecosystems, and the livelihoods of local communities and Arctic indigenous peoples. Reduced sea ice coverage caused by climate change is making previously remote areas more accessible. This is likely to lead to an increase in maritime activity and resource extraction, and may open up new transit shipping routes from Asia to Europe and North America.

The Arctic is now less insulated from geopolitical developments in other regions. Russia has upgraded its military presence while another power, China, is seeking to expand its footprint. As Russia, weakened by its illegal war in Ukraine, turns East to meet its investment needs, this could provide China with an opening for increased leverage and influence in the region.

One of the most important strategic consequences of Russia's full-scale invasion of Ukraine has been the decision of Finland and Sweden to join NATO, making the security dynamics in the Arctic and Northern Europe more interconnected.

Another consequence has been the reduction in circumpolar co-operation in areas such as climate science research, Arctic environmental protection, and maritime accident response. The future of the Arctic Council—the premier international forum for discussing these issues—is uncertain. At a time when the Arctic is becoming more contested, the space for collaboration with Russia on Arctic affairs has shrunk dramatically.

In this dynamic situation, it is imperative that the UK Government remains alert to emerging changes and regularly assesses whether it has appropriately prioritised and resourced its strategy. There are plausible scenarios identified in this report under which the Arctic may become more contested and require increased attention and resources. For example, UK scenario planning will need to consider the possibility that China could in future seek to establish a military presence in the Arctic. The Government needs to prepare for this and other developments to ensure that it can adapt and respond to changed circumstances.

To ensure it adequately prioritises the region, the Government needs to have a clear sense of how the Arctic fits into the UK's broader security and foreign policy interests in Northern Europe and beyond. In particular, it needs a clear understanding of the evolving interests and intentions of Russia, the largest Arctic state.

Although the probability of Russia initiating a conventional conflict in the Arctic is low, a conflict with Russia in another theatre could escalate to the Arctic. NATO must ensure it retains the ability to project force into the region as part of its broader strategy of deterrence of Russia, and to provide credible security guarantees to NATO's Nordic members. It is essential that the UK continues to train sufficiently with its NATO and Nordic allies to maintain capabilities and signal its commitment to defending the region.

Russian sub-threshold activity in the Arctic and High North is a significant and growing threat. This malign activity includes GPS jamming, military exercises simulating attacks on its neighbours, maritime sabotage, cyber-attacks and information warfare. One witness characterised Russia's sub-threshold pressure in the Nordic states as a "constant full spectrum testing of our systems." The UK Government has increased resources to counter sub-threshold threats. Nonetheless, further work is required by the UK and its allies to develop contingency plans to detect, deter and respond to these 'grey-zone' activities.

There are long-standing concerns that the UK has insufficient resources to meet aspirations for a meaningful security presence in the High North and elsewhere. The Royal Navy has only one ice-capable patrol ship, and the Royal Air Force's fleet of maritime patrol aircraft may be insufficient to maintain a constant presence in the High North alongside a long-term deployment to the Indo-Pacific and protection of the nuclear deterrent. We are concerned that high aspirations worldwide without a clear sense of how the Arctic fits into the UK's wider global priorities could lead to overstretch.

This reflects a wider point we made in our previous report *UK defence policy: from aspiration to reality?* that Government policy documents do not do enough to clearly articulate the Government's priorities and the hard choices that may be required in the face of competing pressures on resources.

While some changes will be unpredictable, we know that all climate scenarios anticipate that the central Arctic Ocean will be largely ice free in summer by 2040–45. Fishing in the central Arctic Ocean has been constrained by ice coverage and a 16-year commercial fishing moratorium due to expire in 2037. As the sea ice recedes and if the moratorium is not observed or extended, the area will become vulnerable to large-scale commercial fishing. In partnership with the Arctic states, the UK should continue to advocate for the protection of Arctic fish stocks and the establishment of marine protected areas.

Although the Arctic will remain a challenging and dangerous environment in which to navigate, maritime activity, including tourism, is projected to increase in the coming decades. This will expose fragile Arctic ecosystems to the risk of increased pollution and accidents. As the Arctic's nearest neighbour, the UK's search and rescue resources may be increasingly called upon. The UK Government should work with its Arctic allies to increase search and rescue capability, and to mitigate risks to safety and the environment from shipping through the development of a revised Polar Code.

The UK's Arctic strategy identifies many of the challenges identified by this report and it is capably led by the FCDO's Polar Regions Department. However, we are concerned that the Arctic is not receiving the ministerial attention it requires. The UK is not an Arctic state and its ability to influence developments in the region depends on maintaining a close dialogue with Arctic allies. Outside the security sphere, UK Ministers rarely attend multilateral fora on Arctic affairs. We are concerned at the signal this sends regarding the relative importance the UK Government attaches to the Arctic.

The UK is an important security partner for its European Arctic allies and is a major contributor to polar research. This provides a good basis for the UK to play a positive role in the region, which we heard would be welcomed. But sustained ministerial engagement is required for the UK to maintain its influence. The

UK could further signal its commitment to the region and strengthen cross-departmental working by appointing an Arctic Ambassador, in line with many Arctic and non-Arctic states.

If clearer priorities are set, there is an opportunity for the UK to play an influential convening and leadership role in the Arctic, particularly in Arctic security. The UK will also be better equipped to anticipate and respond to future challenges in one of the world's fastest changing regions.

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

The case for scrutinising the UK's Arctic strategy

1. The Arctic has traditionally been viewed as an area of high co-operation and low tension. The UK's long-term goal is for the region to return to this state. It is questionable whether this is achievable. As the region pivots from an area of co-operation to one of competition and potential confrontation, the UK Government needs to make sure its strategy reflects this new reality. (Paragraph 22)

The Russia challenge and deterrence in the Arctic

2. The Arctic will remain central to Russia's military and strategic thinking. The military setbacks it has suffered in Ukraine, and Finland and Sweden's NATO accession, will only increase the importance of the region for Russia's leadership. Russia has a legitimate interest in the Arctic, but the UK approach and that of its allies must be robust in deterring malign activity. (Paragraph 118)
3. While it is not in Russia's interest to start a conventional conflict in the Arctic, sub-threshold activity and accidental escalation represent significant risks to the region's security. (Paragraph 119)
4. *Russian sub-threshold activity in the High North is a significant and growing threat. The UK and its allies should prepare contingency plans to detect, deter and respond to hybrid and 'grey-zone activities', and consult on how to best do this in situations when public attribution is not possible.* (Paragraph 120)
5. *Close co-operation between the state and the private sector, which operates most subsea cables and pipelines, is key to deterring threats to critical infrastructure. The UK Government should establish partnerships for working with businesses to combat threats to critical infrastructure.* (Paragraph 121)
6. *The risk of unintentional escalation in the Arctic following an accident has risen as a result of increasing maritime activity in the region, and the sharp deterioration in relations between Russia and the West. The UK must continue to work closely with its allies to maintain good situational awareness. It should co-operate closely with Arctic allies on intelligence gathering and sharing on Russian activities in the High North.* (Paragraph 122)
7. The UK's Arctic allies have continued to work with Russia in areas such as search and rescue and military-to-military communication for the purpose of deconfliction, emergency response, and reassurance. It is in the UK's interest that these channels of communication and co-operation are maintained. (Paragraph 123)
8. We welcome the UK Government's increased defence commitments to the region, including the recently announced plans for deeper collaboration with Nordic partners to combat hybrid threats. The UK Government remains committed to holding cold weather training and military exercises in the High North. (Paragraph 124)
9. We are concerned, however, that the UK has insufficient key military assets, such as submarines, maritime patrol or airborne early warning aircraft, to support this increased focus on the Arctic alongside the UK's growing interest in other regions such as the Indo-Pacific. (Paragraph 125)

10. *It is essential that the UK continues to train sufficiently with its NATO and Nordic allies to maintain capabilities and signal commitment to defending the region. The UK Government should continue to enhance capabilities through support for the Joint Expeditionary Force, the Northern Group and the Arctic Security Forces Roundtable. To avoid unintentional escalation, the UK and its allies should ensure their actions are predictable and there are clear contingency plans in place in the event of an incident. (Paragraph 126)*
11. The UK has well-established defence links with the Nordic countries and is a valued partner in the region. We welcome the accession of Finland and Sweden to NATO, which will strengthen the military effectiveness of the Alliance, including in the Arctic. (Paragraph 127)
12. *We are concerned that placing Finland (and Sweden) under the Brunssum Joint Force Command runs at cross-purposes to the efforts of the Nordic states to strengthen inter-operability and joint defence in the Nordic region. We call on the UK Government to assist in capacity building at JFC Norfolk so that Finland and Sweden can be placed under its command as soon as possible. In the interim, it is particularly important that NATO tests the flexibility and inter-operability between the two joint commands. (Paragraph 128)*

The internationalisation of the Arctic

13. The UK Government sees China as an “epoch-defining challenge” to the international order. In the Arctic, however, it appears China has so far sought to work within the Arctic’s existing governance framework. That can change quickly. (Paragraph 159)
14. *China has shown a strong interest in contributing to polar research and environmental protection in the region. The UK should continue to engage with China on scientific research and climate change issues as they relate to the Arctic, where possible, while remaining vigilant regarding the dual civilian-military use of some research activities. (Paragraph 160)*
15. Concerns regarding Chinese strategic investment in the Arctic and its long-term intentions in the region are legitimate. At present, China’s economic presence in the Arctic outside Russia is small and the Arctic Seven have grown more cautious regarding the strategic implications of Chinese investment. Investment decisions are matters for the individual Arctic states to decide. There is, therefore, only a limited role for the UK to play beyond sharing relevant intelligence and working with partners to ensure there are clear alternatives to Chinese technology and financing. (Paragraph 161)
16. The UK Government is correct to identify the deepening partnership between Russia and China as an area of particular concern to the UK and its allies. One region where the deepening partnership may manifest itself is the Arctic. (Paragraph 162)
17. *It is essential that the UK Government pays close attention to Sino-Russian collaboration in the Arctic. UK scenario planning should consider the possibility that China could in the future seek to establish a military presence in the Arctic. This would represent a significant strategic challenge to the West. (Paragraph 163)*
18. *As a non-Arctic state, the UK’s influence in the Arctic depends on strong diplomacy and coalition-building, and it should seek to expand co-operation with other observer states on the Arctic Council on matters of shared interest. However, it should do this in a way that does not undermine existing governance structures. In particular, the*

notion of the primacy of the Arctic states in Arctic governance should be maintained.
(Paragraph 174)

Prospects and impacts of growing economic activity in the Arctic

19. Fishing and the sustainable management of fish stocks in the Arctic is of direct interest to the UK. (Paragraph 192)
20. Due to the size of its fishing fleet and reliance on fish and seafood to feed its population, it is imperative that China is included in, and adheres to, current and future Arctic marine conservation regimes. (Paragraph 193)
21. *The UK should continue to advocate for the prevention of unregulated fishing in the Arctic Ocean. We urge the Government to re-join the Agreement to Prevent Unregulated High Seas Fisheries in the Central Arctic Ocean at the first opportunity. In the meantime, and as a signal of its commitment, the UK should make a unilateral declaration stating that it will abide by the Agreement's fishing moratorium, pending accession. In response to this report, we ask the Government to set out the steps it is taking to clarify with the Parties the Agreement's accession process and timeline for joining.* (Paragraph 194)
22. *The UK should collaborate in international fora on Arctic fisheries management to ensure the long-term sustainability of Arctic fish stocks and thus safeguard food security.* (Paragraph 195)
23. Commercial maritime activity in the Arctic is likely to grow significantly in the coming decades, increasing the risk of pollution and accidents. (Paragraph 221)
24. *It is vital that regulation of shipping evolves to meet this challenge. As a leading maritime nation and the headquarters of the International Maritime Organisation, the UK should take a leading role in negotiating a new Polar Code. We call on the UK Government to set out the steps it is taking to work with others, including businesses, to review the effectiveness of the Polar Code and how it should be strengthened to mitigate risks to safety and the environment. In particular, we ask the Government to provide us with a timeline for conducting its review of the Polar Code, alongside its assessment of whether cruise ships operating in Arctic waters should sail in pairs, and whether this should be covered in an updated version of the Code.* (Paragraph 222)
25. *Arctic shipping is concentrated in the European Arctic, in close proximity to the UK. As commercial and private shipping increases in the region, demands on the UK's maritime search and rescue capabilities are likely to grow. The UK Government should plan to invest in increased SAR capabilities to meet the predicted demand.* (Paragraph 223)
26. In the short-term, UK and EU demand for Norwegian oil and gas is likely to increase and will create pressures to raise production, including in the Arctic offshore. This will carry with it greater environmental and safety risks. (Paragraph 230)
27. *We recognise that Norway has a comprehensive framework in place to respond to an oil spill emergency. Nonetheless, the UK Government should continue to press for high environmental standards and the protection of the Arctic marine environment by contributing to the scientific research and through continued participation in the work of the Protection of the Arctic Marine Environment (PAME) Working Group at the Arctic Council.* (Paragraph 231)

28. The UK's stated policy on protecting Arctic biodiversity and mitigating climate change requires new fossil fuel extraction in the Arctic region to be kept to a minimum. The UK can most effectively contribute to this goal by adhering to its legally binding commitments to decarbonising its economy and achieving net zero by 2050. (Paragraph 232)
29. *The UK Government should continue to advocate for the establishment of marine protected areas, including in the Arctic. The Agreement on Biological Diversity Beyond National Jurisdictions offers the UK and its partners a unique opportunity to do the same for the high seas and the central Arctic Ocean in particular (although we recognise that it will likely be several years before the Agreement comes into force, and that the Agreement's impact in the Arctic will be limited as long as Russia is not a party). We encourage the UK Government to ratify the treaty as soon as practicable and take the lead on establishing Arctic marine protected areas under the Agreement as soon as feasible.* (Paragraph 244)
30. *The UK Government should promote a sustainable approach to UK investment in the Arctic, including by directing potential investors to the Arctic Investment Protocol and the United Nations Guiding Principles on Business and Human Rights (the Ruggie Principles).* (Paragraph 248)
31. We welcome that the UK Government's Arctic Policy Framework makes specific reference to economic development in the Arctic being achieved in a way that is safe, responsible and sustainable, and to the benefit of communities living in the Arctic. (Paragraph 255)
32. *While there are limits to the direct support the UK can provide to local communities and indigenous populations, the UK Government can and should assist by maintaining its support for the work of the Arctic Council, particularly the work of its Sustainable Development Working Group.* (Paragraph 256)
33. There are opportunities for UK companies to increase their footprint in the Arctic in a way that is responsible and sustainable. (Paragraph 261)
34. *The UK Government should encourage local partnerships and support UK businesses wishing to operate in the Arctic by signposting them towards local companies and business organisations.* (Paragraph 262)

The future of co-operation and governance in the Arctic

35. The Arctic Council has a proven track record of promoting international collaboration in the Arctic on environmental protection and scientific research. It has provided a vital platform for the voices of the Arctic's indigenous peoples to be heard, and their status as permanent representatives has been an innovative model of governance. (Paragraph 277)
36. Until Russia's full-scale invasion of Ukraine the Council had been relatively insulated from geopolitical tensions. This is no longer the case and there are questions over its long-term future as a forum for circumpolar co-operation. (Paragraph 278)
37. The Arctic Council's diminished efficacy does not mean that it is no longer useful. We agree that the continued operation of the Arctic Council is in the UK's interests. Re-engaging Russia at a working group level has the potential to ensure that vital scientific co-operation and data exchanges related to climate change and pollution can be resumed. (Paragraph 279)

38. *However, Russia's attitude towards genuine co-operation should be carefully monitored. Russia must not be allowed to take advantage of its participation in working group activities to undermine the steps taken by the UK and others to isolate Russia diplomatically in response to the war in Ukraine. (Paragraph 280)*
39. *This will be a challenging balancing act for the UK's Arctic allies, and one which may prove difficult to sustain in the longer term as there currently appears to be no prospect of an improvement in Russia's relations with the West. The UK Government should therefore prepare for the possibility that the Arctic Council may cease to function or diminish in importance. If a new governance structure were to be established in the Arctic, the UK Government should advocate for indigenous representation that is at least equivalent to the status they currently hold within the Arctic Council. (Paragraph 281)*
40. The UK Government can help strengthen Arctic governance by continuing to work with its partners to uphold the rules and obligations set out in UNCLOS. (Paragraph 290)
41. *Supporting Arctic institutions, such as the Arctic Council, can help shield the region from attempts by others to impose a vision for the Arctic that could conflict with Western interests and those of the UK. (Paragraph 291)*
42. *The UK is a world leader in polar science and this provides a strong platform for legitimising our involvement and exerting soft power in the region. The UK Government should continue to support Arctic science and ensure that its funding is appropriately prioritised. (Paragraph 297)*
43. We welcome the UK's commitment to supporting and respecting the rights of indigenous peoples, as articulated in the UK's Arctic Policy Framework. (Paragraph 306)
44. *Initiatives like the Canada-Inuit Nunangat-UK Arctic Research Programme, which engages directly with indigenous peoples on scientific research, have been well received. Building on this initiative, the UK Government should consider establishing similar programmes with other Arctic indigenous groups. (Paragraph 307)*
45. *The UK Government should also consider increasing support for (1) the study and protection of the languages of Arctic indigenous peoples, and (2) Arctic social science research to better understand and respond to the impact that climate, development and geopolitical changes are having on Arctic indigenous peoples. (Paragraph 308)*
46. Our inquiry found that the UK has built strong relationships with the Arctic Seven and demonstrated it can make positive contributions in areas of shared interest: regional security, environmental protection, sustainable economic development, and polar science. The balance of evidence from our witnesses suggests that the UK has broadly set the right priorities for the Arctic, and that the UK is seen as playing a valuable role in the region. This provides a good basis on which to maintain and build relations with key allies. (Paragraph 314)
47. *At the same time, the UK needs to prepare for the potential for significant change in the Arctic. The Arctic will remain a key strategic priority for Russia, and the UK needs to be able to play its part in guaranteeing the security of Finland (and Sweden) within the NATO Alliance. There is a high likelihood that the UK Government will need to give greater attention to the region in the future. In particular, it should consider whether it has invested sufficiently in relevant military assets to meet future as well as current deterrence needs. (Paragraph 315)*

48. We are concerned that the region is not receiving sufficient ministerial attention. The UK aims to exert influence in the region by maintaining strong relationships with the Arctic Seven. This requires sustained political engagement as well as resources. (Paragraph 316)
49. *We note that during our visit to Norway and Finland, Arctic stakeholders told us that there was limited UK ministerial participation in Arctic multilateral meetings, whereas ministers from the Scottish Government regularly attended. We call on the Government to increase the participation of UK Government ministers at Arctic multilateral meetings.* (Paragraph 317)
50. The Arctic affects a range of UK interests, from security to energy and climate change. This requires a cross-government and multi-disciplinary approach. The need for effective cross-governmental working will increase as the Arctic opens up to greater maritime activity and the security challenges in the region grow more complex. (Paragraph 318)
51. *We reiterate the recommendation of previous inquiries that the UK should establish the position of Arctic Ambassador or Arctic Envoy, who would assist the Minister for the Polar Regions in co-ordinating a cross-government approach to the Arctic. This appointment would send a strong signal regarding the UK's commitment to the region.* (Paragraph 319)