CHAPTER 9
THE ARCTIC COUNCIL INCLUSIVE OF NON-ARCTIC PERSPECTIVES:
SEEKING A NEW BALANCE

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ABSTRACT

The Arctic Council’s (AC) openness to the outside world has become an increasingly important issue in the current debate on its shape and place in the Arctic governance structure. The growing interest of states such as China and entities like the European Union in obtaining Observer status on the Council, and the search for an enhanced role by existing Observers, has triggered an emotional debate between the Arctic states, Observers and Permanent Participants. Admission of new non-Arctic actors as Observers and strengthening the role of the status might have broader consequences for the Council’s design, functioning and general direction in which international relations in the Arctic would unfold. This article attempts to develop a new concept of the place and form of the Arctic Council from the perspective of a redefined non-Arctic participation. It seeks the most appropriate way of involvement of non-regional players into the Arctic Council’s activities that would be congruent with all parties’ interests and would not encroach upon the unique character of the Council. To achieve this goal, a three-step approach is employed. First, earlier concepts about the improvement of the Arctic Council are briefly reviewed and summarised. Second, the stances and policies of the Arctic states on the reform of the AC are explored. Third, the current political context in reference to the Observer debate is described. The new concept is introduced within the framework set by conclusions emerging from these three backgrounds.

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INTRODUCTION

Arctic change, driven by receding icecaps and globalization (ACIA, 2005; Koivurova, 2010; Heininen and Southcott, 2010), has triggered a debate on how to adapt the existing regional governance system to the challenges posed by these developments. A central role in the international architecture of the North has been assigned to the Arctic Council (AC), the premier circumpolar intergovernmental forum. Despite successes under the auspices of the AC, such as the Arctic Climate Impact Assessment, the Arctic Human Development Report and the Agreement on Search and Rescue in the Arctic, today’s picture of the Council emerging from the academic and media discussions suggests that it is not well-suited to govern a rapidly changing Arctic (Koivurova, 2009; Young, 2009b; Koivurova and Hasanat, 2009).

Particularly challenging for the Arctic Council seems to be the growing global interest to participate in its works, driven mainly by emerging economic opportunities and environmental concerns as well as political and strategic issues (Berkman and Young, 2009). A number of outside actors, including China, Italy, Japan, South Korea and the European Union have shown their intention of being included in the affairs of the region by applying for Observer status at the forum, while those already accorded this standing seek an increased role within the Council’s structures (Graczyk, 2011). This, however, has been met with certain reluctance from the Arctic states and Permanent Participants of the AC (AAC, 2007; ICC, 2010; Graczyk, 2011). The AC, which was conceived before climate change became so readily apparent in the region, and global interest in the region mounted, suffers from deficiencies that impede its ability to adapt to the changing political and environmental realities (Young, 2000; Young, 2009a; Haavisto, 2001; Koivurova, 2006; Koivurova, 2009; Koivurova and Hasanat, 2009). One problem is that differences between the Arctic states make it difficult to apply any significant changes to the Council’s mode of action that could strengthen its position in the future Arctic governance system. Given the currently evolving nature of Arctic politics, the question of non-Arctic actor participation may be seen as one of the factors that will have significant impact on the shape of the regional co-operation structure that emerges.

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METHODOLOGY

The present article offers a view on the possible reform of the Arctic Council’s role, structure and rules of procedure in a wider perspective of involvement of non-Arctic actors and increasing interest of the outside world in Arctic affairs. First, however, it attempts to briefly review and summarise selected proposals for and visions of the AC’s place in the regional governance structure, along with envisioned enhancements, and what actually has been done to improve its performance. Ideas developed in this paper take these concepts as a point of departure. Furthermore, the recently issued Arctic policy documents of interested parties are also examined with respect to the AC. The purpose of that is to set a realistic framework for further considerations that could be consistent with positions and interests of the Arctic countries.

It is essential to identify propositions that have been applied by the member states (entirely or partially) and those which were rejected or did not meet with their interest. This reveals the main obstacles and particularly sensitive areas in the Arctic states’ policies within which they could be reluctant to agree to changes. To outline a new vision, first an overview of what has already been suggested is provided, then these recommendations are juxtaposed with the official Arctic governments’ statements and the Arctic Council documents. Finally, on this basis, a refreshed proposal for the AC’s architecture and the rules of procedure along with an imaginable way of implementation is advanced.

The ideas offered by this paper are based on certain assumptions that have been formulated after interviews and consultations with Arctic and non-Arctic governments’ officials, NGO and indigenous representatives, as well as researchers involved in the Arctic Council projects. To some extent they are also based on the author’s personal experience from participation in the Arctic Council meetings and work at the AC Secretariat.
DEBATE ON THE ROLE AND SHAPE OF THE ARCTIC COUNCIL

Much attention and research in recent years have focused on the governance structure of the Arctic including the role of the Arctic Council (Young 2000; Young, 2009a; Young, 2009b; Young, 2010; Koivurova and VanderZwaag, 2007; Huebert, 2008; Huebert and Yeager, 2008; Koivurova, 2009; Koivurova and Molenaar, 2010). Finding a proper place for the Council within the rapidly changing international environment in the Far North appears to be problematic. The reasons for this are complex and differ due to national interests, diverse views on Arctic co-operation and governance, and discrepant definitions of legitimate stakeholders – a crucial question when according Observer status. There are also contrasting expert opinions as to sufficiency of the existing governance framework in the Arctic (mainly pertaining to the marine Arctic) which, according to some academics, does not fulfill its role (Huebert, 2008; Koivurova and Molenaar, 2010), whilst in view of others there are all necessary mechanisms already in place (Stokke, 2007; Hoel, 2009). The position of the only intergovernmental forum within the international architecture in the region plays a central role in these deliberations.

Identified limitations

Since the establishment of the Arctic Council, and even at the negotiation stage (Scrivener, 1996; Keskitalo, 2004), many of its limitations have become apparent. The catalogue of hindrances impeding the works of the Council is relatively wide and well-known. It includes issues pertaining to a general role of the concerned forum in the international system, lack of legal basis, limited mandate, structural shortcomings, indigent communication and outreach capabilities, and quite specific questions concerning scope definition of the Working Groups work and project financing.

Criticism focused primarily on a soft law profile of the Council’s mandate based on a declaration not a treaty (Koivurova, 2006, 2009; Huebert, 2008; Huebert and Yeager, 2008; Koivurova and Molenaar, 2010), insufficient or no implementation monitoring of self-imposed recommendations and guidelines (Koivurova, 2006; Koivurova and Molenaar, 2010) and avoiding certain themes, like fisheries or security (geopolitical) issues (Huebert, 2008; Huebert and Yeager, 2008). In
addition, it has been pointed out that the Council is mistakenly based on twin pillars of sustainable development and environmental protection, which in reality prove to be both overlapping and competing (Young, 2000; Haavisto, 2001). Concerns have also been raised about the long-term policy of the Council, as strategic directions are subject to shifts as the chairmanships rotate every two years (Koivurova and VanderZwaag, 2007).

Moreover, the division of labour between the AC’s Working Groups limits the ability to handle complex and interrelated questions emerging from the changes occurring in the Arctic (Huebert and Yeager, 2008) and in certain cases (like AMAP and CAFF) their mandates overlap (Young, 2000). Additionally, the performance of the Working Groups is further undermined by deficient communication between them, inadequate contacts between the WGs and the Senior Arctic Officials (SAO)s and competition for the same financial resources (Haavisto, 2001). Another aspect of the Working Groups’ work is acceptance of the projects that do not have a circumpolar scope, what may cause both resource dispersion and divergence from the mandate and region-wide focus (Haavisto, 2001).

Communication and outreach problems still remain unresolved in a satisfactory way, nonetheless studies and recommendations have been prepared and submitted to the Council at its request (Haavisto, 2001; Turunen and Kankaanpää, 2002; SAO Report, April 2009; AC Communications and Outreach Contact Group, October 2010; CCGS and WDGF, May 2011). Identified gaps and shortcomings include, inter alia, little knowledge about Council’s activities even among northern residents and indigenous peoples, limited institutional knowledge or insufficient flow of information from the Council to a wide public both locally and globally (CCGS and WDGF, May 2011). This, as well as a lack of clear policy on priorities, also affects co-operation with other Arctic institutions, which should be better structured (Haavisto, 2001).

Finally, many authors have drawn attention to the issue of Observers, primarily non-Arctic actors, as not convincingly resolved. The main criticism focused on their limited participation (Koivurova and Molenaar, 2010; Koivurova 2010a) as well as an unclear definition of their role within the Council and criteria for their admission (Haavisto, 2001; Keskitalo, 2004). To a certain extent, it might be also said, there is a tendency to disregard links between challenges in the Arctic and
their sources in the South (Young, 2009a; Young, 2009b), as well as concern of outside actors about the developments in the region that may affect areas far below the Arctic Circle, causing frustration among non-Arctic entities (Young, 2009b; Young, 2010). Furthermore, a growing reluctance towards these actors can be observed. Recently, it was perceived (by some non-Arctic states) that there was an intentional reduction in the role of the Observers as guaranteed by the Arctic Council Rules of Procedure during negotiations on the Search and Rescue instrument (Graczyk, 2011).

This list is not exhaustive, but should outline a wide picture of the most immediate and critical problems the Council has to face in coming years. Until recently, it contained issues of a permanent secretariat, regular funding, and a lack of institutional memory (e.g. Molenaar and Koivurova, 2010). However, these problems were addressed at the Nuuk Ministerial Meeting, where the Arctic states decided to establish a permanent secretariat in Tromsø, Norway (Nuuk Declaration, May 2011; cf. SAO Report, May 2011) and, along with the allocation of 10 million euro towards Pollution Prevention Initiatives by Russia, the requirements to launch the Project Support Instrument had been met (SAO Report, May 2011). This provides more reliable – but not permanent – funding for the AC’s projects on the elimination of contaminants in the Arctic, primarily carried out by the ACAP Working Group. Moreover, it is seen as a precedent for funding other Council projects (SAO Report, May 2011). The criteria for admitting new Observers and a role for their participation in the AC have also been defined. Yet, this has not entirely resolved the problem as the disappointment of some Observer countries and non-Arctic state applicants to the status has already been noted (Larsen, 2011).

**Proposals for the reform**

Comprehensive reform of the Arctic Council is not a feasible task for the present Swedish Chairmanship, nor even the subsequent Canadian one. It will require a well-designed step-by-step approach towards the ultimate goal of redefining the role of the Council appropriate to the international and environmental realities and its ability to quickly react if new challenges emerge. Nevertheless, many of the above mentioned studies offered options for changes within the Council that could possibly improve its capabilities, make it more efficient and free of certain shortcomings. It is also important to note that the AC’s subsequent Chairmanships
have initiated discussions and activities towards strengthening its role and improving its structures (Arctic Council Capacity Building Workshop, November 2001; SAO Report, April 2009; SAO Report, May 2011).

The focus and scope of the proposals ranged from very specific issues and detailed solutions applicable to narrow areas, to comprehensive concepts placing the Council within the regional structure of governance. It seems, therefore, indispensable to briefly examine these proposals and point out the main issue areas on which they generally focus on. This is expected to provide a useful basis for developing a new concept on the possible reform of the Arctic Council.

Many authors and researchers have sought the most felicitous place for the Council within the landscape of international initiatives in the Far North. Often it was driven by disappointment with the actual performance of the only circumpolar intergovernmental body and high expectations that such an institution could solve many regional problems stemming from the effects of climate change. Furthermore, issues of structural deficiencies and participation of stakeholders other than the Arctic countries have been raised. Finally, some authors identified areas in regional governance in which certain improvements are needed and the Council could play an important role in filling existing gaps.

First and foremost, the question of the place of the Council within the governance of the Arctic and its relations with the other institutions has been raised (e.g. Young, 2000; Stokke, 2007; Stokke and Hønneland, 2007; Koivurova and Molenaar, 2010). It was recommended that it should focus on regional issues and those which give it a comparative advantage given its limited mandate (Young, 2000). Such a niche approach (Stokke and Hønneland, 2007) assumes that the AC should keep and further advance its function in producing influential and well-researched assessments and guidelines pertaining to the most pending challenges in the Far North (e.g. Young, 2000; Young, 2009b; Young, 2010; Stokke and Hønneland, 2007; Koivurova and VanderZwaag, 2007; Koivurova, 2009). The AC could also play a key role in strengthening implementation of existing (and possibly also future) international agreements pertaining to the Arctic and coordinate their application (Koivurova and Molenaar, 2010). As recent developments have illustrated in respect of the Search and Rescue agreement, it is also possible that the AC could become a platform for negotiating legally-binding agreements (Koivurova and Molenaar, 2010). Some authors have suggested that
the Arctic Council could be a good and desirable place for developing a regional seas agreement as envisaged under the Regional Seas Programme of the United Nations Environment Programme (Huebert and Yeager, 2008; Exner-Poirot, 2011; cf. Young, 2000; Koivurova and Molenaar, 2010).

Internationally, the Arctic Council should be nested within the broader international structure of regional co-operation, where it could perform tasks in setting the policy agenda. Accordingly, it would require interplay with other institutions already in place (Stokke, 2007). The AC could also be a part of a tripartite “governance complex”, comprising agreement stabilizing jurisdictional claims and boundary issues, the AC as a linkage between Arctic and the outside world as it comes to global concerns like climate change, and the development of issue-specific regulative regimes to address concerns involving questions like shipping or offshore oil and gas (Young, 2009b).

As to strengthening the internal structure, there are opinions that the scope of Council’s activities should be expanded to include issues of fisheries, marine mammals (Koivurova and VanderZwaag, 2007; Huebert and Yeager, 2008) as well as political (Norwegian MFA, April 2005) and security-related (Huebert, 2008) co-operation. According to some studies, it would be beneficial to abandon the AC’s current mandate of environmental protection and sustainable development and to reorganize the work of the Council around a larger number of issues (Young, 2000; Young, 2009b). This could also allow a better division of labour between the Working Groups. In addition, creating new Working Groups to address issues like fisheries, marine living resources and “enhancing the social and cultural environment of Northern territories” (Koivurova and VanderZwaag, 2007; Huebert and Yeager, 2008), were advanced. To increase an “Arctic voice” in other relevant fora and keep the Council abreast of the international processes in fields of its interest, Timo Koivurova and David VanderZwaag proposed the formation of an International Co-operation Working Group, or some kind of committee for external relations (Koivurova and VanderZwaag, 2007; cf. Ronson, 2011). This body could also review treaties and regulations pertaining to the region.

One of the most important roles of the Arctic Council has been seen in providing an Arctic perspective to various international institutions, primarily those with a global range (Young, 2000, 2009b; Koivurova and VanderZwaag, 2007), and boosting understanding of phenomena occurring in the region among
Southerners. To increase the visibility of the Council, both among the Northerners and worldwide, several recommendations have been made, mainly by expert groups at the request of the SAOs. The most critical suggestions include development of a communications strategy for the Arctic Council, hiring a person responsible for media relations, utilizing a wide-range of mass media, publishing the Arctic Council Bulletin, and to intensify interaction between Arctic inhabitants, educational institutions and the Council (Turunen and Kankaanpää, 2002). Recently, the Member States adopted the Strategic Communication Plan Guidelines prepared by the Arctic Council Communications and Outreach Contact Group and instructed the SAOs to develop them further (Nuuk Declaration, 2011).

Another source of concern is a common perception of the Arctic Council as another top-down forum governed from capitals located outside the region (Young, 2000; CCGS and WDGF, May 2011). This could be alleviated by both the development of appropriate relations with the Northern Forum (Young, 2000) and inclusion of Northerners themselves in the process of setting policy priorities in the Arctic Council (Arctic Council Capacity Building Workshop, November 2001).

Finally, many studies conclude the question of Observers as not sufficiently resolved and posing a potential challenge for the Arctic Council in the years to come (Huebert, 2008; Young, 2009a; Koivurova, 2010a; Koivurova, 2010b). Some authors (e.g. Young, 2000), as well as the SAO Reports (e.g. SAO Meeting Report, April 2008; SAO Report, April 2009) emphasize a positive input – such as research capabilities and financial support – which may be provided for the Arctic Council activities. In addition, their critical role in dealing with global processes affecting the Arctic has been recognized (Young, 2009b). Probably the most striking concern in deliberations regarding non-Arctic entities is dramatically increased interest in obtaining an Observer status expressed by powerful actors like China, Japan, Italy and South Korea as well as the European Union (Commission), which emerged as a considerable challenge for the Council appearing to be unprepared for such a development (Koivurova, 2009; Young, 2009b; Graczyk, 2011). By the same token, the present stateObservers have raised a question of increasing their role within the AC (Koivurova, 2009; Young, 2009b; Graczyk, 2011). It was noted that their position may seem inadequate compared to their aspirations (Young, 2009b; Graczyk, 2011). Simultaneously, some authors pointed out that Observers may pose a threat to the position of Permanent Participants (Young, 2009b;
Koivurova, 2010b), which was also highlighted by the Indigenous Peoples Organisations (IPO) themselves (ICC, 2010).

Still, little has been said on how to solve this issue. One concept suggested that Observers could be entitled to speak during ministerial meetings and have an access to non-confidential material (Koivurova and Molenaar, 2010); the other says that there will probably be a need to include a new group of outside actors in some way (Young, 2009a; Young, 2009b; Koivurova, 2009), and to mitigate growing frustration (Young, 2009b) both of ad hoc observers and permanent ones stemming from the protracted application process and limited role. But what exactly could be done? Are there any solutions that could prove to be acceptable for the Member states, the Permanent Participants and Observers? It seems, therefore, important to devote more attention to this issue and to look for somewhat more specific arrangements. This will be attempted below.

ARCTIC STATES’ VISIONS OF THE ARCTIC COUNCIL

When looking at what actually has been done within the Council to strengthen its capabilities, it should be concluded that the above mentioned suggestions and recommendations set forth by the subsequent AC’s Chairmanships, experts and scholars met with limited interest and attention from the Arctic governments. The possible reason for that is suggested by Timo Koivurova and Erik Molenaar, who pointed out that usually the proposals for the reform of the Arctic governance system (including the AC) “suffer from their political realism” (Koivurova and Molenaar, 2010). Since the AC is a product of the Arctic states, it is important to bear in mind that only they may assign to it any role they consider appropriate.

Even though the above mentioned concepts provide complementary and relatively comprehensive vision of strengthening the AC, many of them did not take into account northern policies and the strategies of the Arctic states, which have become available only recently.

It is fair to say that states’ attitudes might change; however, it is rather difficult when it comes to national interests. On the other hand, this possibility cannot be
completely rejected as the dynamics of international relations may force the Arctic states to move towards the idea, for instance, of an Arctic Treaty. It does not, however, seem possible in the foreseeable future. Some observers note that the changes occurring in the Arctic are so dynamic that “policy statements and strategies cannot really be seen as definitive, indeed, they often express only a declaration of intent or interest and cannot really ever fully reflect on changing conditions” (Nordic Council of Ministers, 2011). Nevertheless, when seeking any viable concepts of the AC, it is essential to take into account the current context, circumstances and, above all, the goals and interests of the Arctic states.

All the AC’s Member States have now published their northern policy documents. There are good reasons to think that the short and medium-term priorities of the Arctic governments will not be subject to previously observed seasonal fluctuation (Koivurova and VanderZwaag, 2007). Perhaps, these statements will positively contribute to balanced and far-reaching policy within the Arctic Council. Although the documents do not provide any explicitly stated ideas in respect to the reformation of the Council, it is possible to draw some conclusions and a general overview of the Arctic states’ approaches and, accordingly, a general framework within which any further considerations may be developed.

What picture of the Arctic Council and possible role of non-Arctic actors emerges from the policies and strategies? It will come as no surprise that there are different views on how the AC should perform its role within the emerging international governance of the Arctic. In Canada’s view there is a need to increase policy dialogue within the AC, encourage implementation of guidelines, development of “best practices” (e.g. in ecosystem-based oceans management, cf. Hoel, 2009) and negotiation of new instruments (if applicable). Moreover, a strategic communications role for the forum should be developed. Importantly, the Statement on Canada’s Arctic Foreign Policy articulates that although the “current informal nature [of the AC] (…) has served Canada well for many years (…) the growing demands on the organization may require changes to make it more robust” (Government of Canada, 2010). This means that Canada will “work with other Arctic states to develop options, including with respect to the role of the Council, related ‘secretariat’ functions, and funding issues” (Government of Canada, 2010). There is also a meaningful statement concerning non-Arctic actors, which are perceived as a challenge for the Permanent Participants. Canada, therefore, sees its own role in ensuring that the Permanent Participants’ central
role within the Council “is not diminished or diluted” (Government of Canada, 2010). In addition, the “key foundation for any collaboration” with outside players will be their recognition of the Arctic states’ sovereignty and leadership in the management of the region (Government of Canada, 2010).

To a certain extent, similar views are held by the United States. According to the American Arctic policy document “the Arctic Council should remain a high-level forum devoted to issues within its current mandate and not be transformed into a formal international organization, particularly one with assessed contributions” (U.S. White House, 2009). Nevertheless, the U.S. allows for “updating the structure of the Council, including consolidation of, or making operational changes to, its subsidiary bodies, to the extent such changes can clearly improve the Council’s work and are consistent with the general mandate of the Council” (U.S. White House, 2009).

The Russian Arctic policy document entitled The Fundamentals of State Policy of the Russian Federation in the Arctic in the Period Up to 2020 and Beyond, may be seen as reflecting areas of particular interest and aspirations rather than presenting a consistent strategy to pursue objectives (Zysk, 2010), although it mentions the Arctic Council only once in reference to the strategic priority of the Russian Federation in enhancing co-operation in the Far North (Security Council of the Russian Federation, 2008). However, some more detailed insights were provided by the Russian SAO Anton Vasiliev at the 5th Northern Research Forum Open Assembly in Anchorage, Alaska in September 2008, a few days after the issuance of the strategy. In his opinion, it is important to keep “sustained in a very careful and responsible manner” balances between certain issues within the Council, including “scope of its activities and the character of its products”, “its internal arrangements and decisions and transparency and co-operation with non-member states and entities”, as well as the role of the Permanent Participants (Vasiliev, 2008). This may imply that, in his view, the balance within the Council is relatively fragile and every change could possibly affect it. Thus, it might be assumed that to maintain balance, any significant changes (such as a different mandate, reconstruction or an increased role and number of observers) should not be made. This interpretation is further supported, at least in case of non-Arctic actors, by media materials. Both the Norwegian Government’s High North Strategy published in 2006 and its follow-up document from 2009 do not address any questions of possible reform of the Arctic Council (Norwegian MFA, 2006, 2009). However, according to the
Norwegian Minister of Foreign Affairs Jonas Gahr Støre the Council should focus on “filling knowledge gaps, identifying appropriate adaptation and mitigation measures and drawing up strategies” (Støre, 2006). Furthermore, he sees the role of the AC in decision-shaping rather than decision-making (Støre, 2009). To complete the picture, Norway has expressed its openness and willingness to admit new Observers, as well as increase their role within the Council (see Støre; Støre, Støre 2010a; Støre, 2010b; Støre, 2010c).

Contrary to the Norwegian and American positions, Denmark stated that the AC “must evolve from a decision-shaping to a decision-making organization” (Denmark, Greenland and Faroe Islands, 2011). The role of the forum as an “instrument exerting influence on nation states and international organizations” should be further strengthened. If it proves to be feasible, also decision-making actions should be pursued. To this end, it is essential to co-operate with all the states and organizations that may provide an input and can contribute to the Council’s activities (Denmark, Greenland and Faroe Islands, 2011). This also means, according to the Kingdom of Denmark, that policies and mechanisms “must be organized in close co-operation with other Arctic nations and other stakeholders [all relevant countries and organizations] with interest in the Arctic” (Denmark, Greenland and Faroe Islands, 2011). It is important to note that during its Chairmanship of the Arctic Council (2009-2011) Denmark was exceptionally active with respect to Observers and strongly advocated for admission of actors awaiting status. This, however, met with continued reluctance from the other Arctic states, what became apparent also in the survey carried out by the Danish Chairmanship. Nevertheless, a caveat is made in respect with involvement of the European Union that it should be based on Northerners’ own terms. This originates in the EU’s restrictions imposed on the import of seal products, which was considered the main reason for rejection of application for its Observer status (cf. Phillips, 2009). Additionally, Denmark asserts that the Arctic Five formula will be retained as “an essential complementary [to the Arctic Council - PG] regional forum for the coastal states of the Arctic Ocean” (Denmark, Greenland and Faroe Islands, 2011).

It comes as no surprise, therefore, that the Finnish, Swedish and Icelandic documents address the role of the Council vis-à-vis the Arctic Ocean Meetings (henceforth often referred to as the Arctic Five - A5). The origins of this formula can be traced back to the meeting at the level of senior officials held in Oslo on 15-
16 October 2007 at the invitation of the Norwegian Government. Representatives of the five Arctic Ocean coastal states met to hold informal discussions on the international legal framework applying to the Arctic, particularly the UN Convention on the Law of the Sea and its domestic implementation in different areas. This meeting provided the basis for the ministerial summit in Ilulissat, Greenland in May 2008, where the Ilulissat Declaration was issued. The last Arctic Ocean Meeting at the ministerial level took place in Chelsea, Québec on 29 March 2010. A common feature of these three statements is that they, while recognizing the rights and interests of the Arctic Ocean coastal states, will make efforts to ensure that the AC is the premier forum for addressing and making decisions on regional issues (Prime Minister’s Office, 2010; Government of Sweden, 2011; Althingi, 2011). Furthermore, the extensive and detailed Finnish document offers a relatively comprehensive list of improvements to strengthen the AC’s position. According to Finland, a possible role for the AC within the regional governance structure is to co-ordinate and monitor already existing and new regulatory arrangements and treaties, such as the United Nations Convention on the Law of the Sea (UNCLOS) and supplementary sector-based regulations, also in regard to developments on land. Moreover, it could also review different international instruments and “identify potential regulatory gaps and overlaps” (Prime Minister’s Office, 2010). Finland encourages broadening the Council’s agenda to include new sectors, in addition to its current function of monitoring and assessing the Arctic environment. The forum should play the role of a place for strategic Arctic discussion. To this end, Finland proposes further development of the deputy-ministers meetings, and introduces the idea that the Arctic Summits could be held “from time to time to discuss the guidelines of Arctic policy more broadly” (Prime Minister’s Office, 2010). It also states that Observers could participate in such meetings “if necessary”. Interestingly, the Finns are favorably disposed to admit new Observers, even if it would require amending the Declaration on the Establishment of the Arctic Council (the Ottawa Declaration).

At the opposite extreme, Sweden seems to ignore the growing outside interest in the Arctic. There is no single reference in either the Swedish AC Chairmanship programme (2011-2013) or the newly issued Arctic policy document to aspirations of non-Arctic actors in general and their participation as Observers in the Council in particular (Swedish MFA, 2011; Government of Sweden, 2011). Instead, Sweden focuses on an elevation of the AC’s rank by the inclusion of “important strategic issues such as joint security, infrastructure etc.” to its mandate. Furthermore, in
the Swedish view, development of more concrete projects and policy initiatives could energize co-operation within the Council and consequently reduce the need for the Arctic Five meetings (Government of Sweden, 2011).

Another idea on how to stimulate the Arctic Council, but also the Barents Euro-Arctic Council (BEAC), has been suggested by Iceland. In the Icelandic strategy it is stated that the BEAC could be “plugged into the Arctic Council” in a formal manner, for instance, by holding joint ministerial meetings of both councils (Icelandic MFA, 2009). This would allow creating synergies, avoiding duplication of common goals as well as better utilization of human and financial resources (Icelandic MFA, 2009). It is also worth noting that Iceland supports strengthening the role of Observers and admitting new ones. Moreover, Icelanders acknowledge that these actors are very active within the AC’s Working Groups and that their work contributes to the success of the projects (Icelandic MFA, 2009).

It can be seen from the foregoing that there is no common vision of the AC’s future, making any deliberation on the place of the AC in the evolving landscape of regional co-operation even more difficult. Appropriately, a new concept of AC reform should be kept within a framework set out by the convergence points of the above priorities for the member states, as it might be problematic to negotiate concessions from their positions declared in the policy documents. As a matter of fact, it cannot be ruled out that certain adjustments and trade-offs in different areas are possible; however, they are difficult to foresee at this stage.

What conclusions emerge from these policies for a possible new concept? First and foremost, it seems fair to say that the AC should remain a high-level forum (not a formal organization) keeping its mandate in the present form. Although the majority of Arctic states would like to broaden the Council’s activities to include other issues, it is unlikely that they would change the “two-pillar” scope defined in the Ottawa Declaration, especially in respect to more controversial questions. On the other hand, it is possible that new sector-based regulations akin to the SAR agreement will be used instead. Bearing this in mind, it seems expedient to adhere to the existing general idea of mandate with possible sector amendments.

Furthermore, the AC, in the combined view of the Arctic states, should keep its decision-shaping character rather than be transformed into a decision-making body. But there are, nonetheless, good reasons to think that discussion on this
question might be launched in the not-too-distant future. Since the scope of the term “decision-shaping” may encompass many instruments and roles, including co-ordinative and consultative tasks, it is crucial to utilize this function as much as possible. Given that all the Member States agree to strengthen the forum internally, it may be assumed that there is a space for new arrangements that could enhance the dialogue, even including non-Arctic players.

Although there are a number of references in the above documentation to the admission of new Observers, little is said on their role within the AC. It is important, therefore, to find ways of their inclusion that could be both acceptable for all the parties and consistent with the current mandate as well as newly issued criteria, which seems to be fully compatible with the Canadian statement. This question, evoking different reactions, seems to be the most challenging in the debate on the reform as it involves actors with different understanding of certain issues (Nordic Council of Ministers, 2011). Successful reform concept must find a way to alleviate discrepancy in this regard.

The point to be made here is that the AC is a product of the Arctic countries and that their formative function will remain the major shaping factor in the foreseeable future. Accordingly, their leading role at the AC should not be challenged and it should remain strictly regional in nature – with a decisive voice of the Member States. On the other hand, the Arctic countries must also take into account the international environment, the interdependencies of interested non-Arctic actors and themselves in other intergovernmental institutions, and their mutual national interests. Therefore, to keep the new concept realistic, ideas being developed should seem possible to be introduced on the outlined basis and be congruent with the specific character of the region, Arctic states’ national interests and the existing international circumstances.

THE POLITICAL CONTEXT OF THE DEBATE ON THE ARCTIC COUNCIL’S PLACE IN REGIONAL GOVERNANCE

According to Oran Young, we are now witnessing the second significant state change of key international conditions in the Arctic that has brought the region
into the global limelight (Young, 2009a). Particularly, the publication of the Arctic Climate Impact Assessment (ACIA) in 2004 introduced an iconic shift in perception of the Far North from the picture of a frozen desert to the image of the Arctic in change that may have (and perhaps have had) far-reaching impact on global awareness about Arctic affairs (Koivurova, 2009).

The large and unforeseen response to the ACIA showed that the Council was inadequately prepared for this new global attention, especially in regard to the economic interest of outside actors in Arctic natural resources and shipping routes, and consequently, in the involvement in the Arctic Council, giving a clear signal for the need for change in this respect. Additionally, in August 2007, the world’s attention was drawn to the Arctic by the Russian expedition Arktika 2007, which planted a Russian flag on the sea bottom at the North Pole. This action can be seen as a symbolic introduction of the Arctic to the current geo-political debate. The Arctic has gained increased political, economic and strategic significance not only among the Arctic states. Several powerful outside players have also expressed their interest in access to both economic opportunities and governance structures in the region (Koivurova, 2009; Young, 2009a; Graczyk, 2011). Those already involved in the Arctic co-operation processes raised the question of improving their position within the AC (Graczyk 2011). Accordingly, the problem of number, role and justification of Observers’ presence emerged as one of the main points of discussion on the Council’s reform (SAO Report, April 2009; SAO Report, May 2011; Graczyk, 2011). As indicated by the survey carried out by the Danish Chairmanship among the eight northern governments and the six Permanent Participants, there are still profound differences in respect to this issue. By the same token, the role of Observers is rather symbolic compared to their abilities and aspirations (Graczyk, 2011).

The AC’s Member States seem to treat actors from outside the region cautiously and, despite favorable declarations, keep them at distance. Recently, even a shift towards more assertive statements could be observed. For example, the senior member of the Russian delegation to the Nuuk Ministerial Meeting (2011) commented for Kommersant:

“Recently there is the rage for the Arctic, largely, of course, due to opening economic opportunities. At the same time, many countries which are irrelevant to the North Pole, do have a desire to chop off a
piece ‘of the Arctic pie’. If you give them the green light, soon there will be one hundred observers on board, who will gradually require more and more rights, and then insist on turning the Arctic in the ‘universal humankind heritage’ on the model of the Antarctic.” (Chernenko, 2011).

The argument invoked frequently by the Arctic states and the Permanent Participants is the possible suppression of the AC if the number of observers increased. This was clearly stated by a Canadian diplomat at the Nuuk Meeting:

“Keeping in mind [the] failed climate conference in Copenhagen – the more members in the club, the harder it is to negotiate something, and there are questions in the Arctic, especially environmental ones that need to be addressed quickly.” (Chernenko, 2011; cf. AAC, 2007; ICC, 2010)

Lack of consensus on the Observer issue, despite the relatively high activity of the Danish Chairmanship in this regard, may lead to a weakening of the AC in the future. It is conceivable that rejected non-Arctic entities could look for other avenues for pursuing their interests, including through bilateral relations with the Arctic countries, other forums, or even by creating new structures (Larsen, 2011; Willis, 2011).

Nevertheless, such a way of dealing with regional issues, apart from the Council, has been constituted by the five Arctic Ocean coastal states at the ministerial meetings in Ilulissat, Greenland in 2008 and Chelsea, Québec in 2010. As mentioned above, it is also supported in the Canadian and Danish Arctic policy documents. On the first occasion these countries declared their commitment to the existing international legal framework pertaining to the Arctic Ocean, and expressed their view that there is no need for any new legal arrangements for the region, including a treaty (Ilulissat Declaration, 2008). Continuation of meetings in this format, proposed by Canada to advance “[a] forward-looking dialogue on issues related to our [the coastal states’ – PG] roles and responsibilities in areas under our jurisdiction” (Cannon, 2010), may, however, be indicating a new trend in the circumpolar co-operation.
While the exclusion of Finland, Sweden and Iceland as well as the Permanent Participants at the summit in Ilulissat, although criticized, could have been justified by a single-case commitment to the existing international law and governmental nature of such declaration, the offer of the Arctic Ocean Foreign Ministers’ Meeting in 2010 was met with rather harsh reactions not only from the rest of the Arctic States (particularly Iceland, CBC News, 2010b; SAO Report, November 2007), IPOs (CBC News, 2010c), but also U.S. Secretary of State Hillary Clinton (O’Neill and Boswell, 2010). Notwithstanding the Canadian government’s defence of the A5 summits focused “on issues of particular relevance to the Arctic Ocean coastal states, generally not dealt with in the Arctic Council” (CBC News, 2010a), this formula may move the mainstream of regional co-operation towards bilateral relations and ad hoc meetings of interested countries (such as the A5), thereby marginalizing the Council (Heininen, 2007; Heininen, 2010; CCGS and WDGF, May 2011).

On the other hand, it is also important to note that despite the significant changes that have occurred in the region since the Arctic Environmental Protection Strategy (AEPS) and its further development within the AC, the legal status of these instruments, mandate and institutional structure have not been significantly modified (Koivurova, 2010). Nonetheless, in recent years various initiatives and proposals to strengthen the AC in this regard have been undertaken by the Chairmanships (Norwegian MFA Report, April 2005; Norwegian MFA, 2008; The Kingdom of Denmark, April 2009), some of the Permanent Participants (AAC, 2007; ICC, 2010) as well as by researchers examining Arctic institutions. By the same token, the commitment of the Arctic countries to reform the AC, with recognition of recent developments in this regard agreed in Nuuk, seems to be far from optimal from the beginning of the Arctic co-operation to the present day (Koivurova, 2009).

Drawing these observations together, it may be concluded that the AC has reached the moment in which it must decide what role it should play in the years to come. Shall it be the central institution for policy decisions in the Arctic? Or rather, a low-profile assessment and discussion body marginalized by other arrangements like A5? It seems fair to say that it is high time the AC took appropriate steps to find a niche for its prospective activities (cf. Koivurova, 2009). Bearing the above picture in mind, we may attempt to offer a somewhat new view on the place of the Arctic Council in the future of Arctic governance.
HOW TO ADAPT THE ARCTIC COUNCIL? A NEW CONCEPT

General remarks

The preceding analysis shows that the problem of adaptation to emerging circumstances is one of the most critical and complex for the Arctic Council. Presumptively, it would require a laborious negotiation process to reach a consensus on the future shape of this forum. Additionally, it is important to note that different models of the reform may be considered, employing categories such as focus (from narrow to cross-sectoral), outcome (legally/non-legally binding, creation of new institutions), as well as the place of the AC within the wider structure of international institutions and instruments (cf. Koivurova and Molenaar, 2010).

The major focus of the AC should be, therefore, to act as a co-ordinative hub (cf. Young, 2009b) for a network of international agreements (legally and non-legally binding), instruments and organizations applicable to the Arctic. Such a role would imply linking and providing other international institutions with reliable, high quality and up-to-date knowledge and recommendations. The AC in this position would be also entitled to review these arrangements and identify gaps and overlapping issues pertaining to the Arctic, and in co-operation with their appropriate organs, would advocate the most proper method of resolution. Consequently, such a forum would need to address literally all issues concerning the region. Moreover, it should aim for the creation of instruments that could facilitate achieving legally-binding regulations at other institutions or in the form of separate treaties. After a review of a specific case (in appropriate subsidiary body – see below) there would be three possible actions to be made: 1) to refer an instance to the other and more relevant authority or institution (if such exists) which is mandated to deal with such specific areas, 2) to handle the case within the AC (if it corresponds to its mandate and activities), or 3) to create a new instrument (e.g. a treaty) to cover the issue (in a way similar to the SAR agreement). Selecting one of these options should be obligatory, binding and made by consensus. Although there are examples of successful efforts in this realm (the Århus Protocol on POPs, the Stockholm Convention on POPs) which give a good basis for further developments, it is still rather occasional and may be perceived as one of the most unused features of the Council, mainly due to lack of consensus.
This may, however, be about to change together with the adoption of the SAR agreement.

These tasks are envisaged to strengthen the decision-shaping (or policy-shaping) function; nonetheless certain decision-making elements can also be noticed. The member states should consider whether negotiations of legally-binding sector instruments are better managed outside or under the auspices of the Arctic Council (but perceived as de facto AC products) instead of adding them to the AC competences. It is fair to say, however, that legitimacy of this function in the forum’s fundamental documents would increase the role of the Council significantly. The scope of sector agreements (that would be possible to negotiate within the AC) could be defined in advance in a detailed manner (e.g. security issues would be excluded) thus all the Member States could accept it.

As noted above, it would be a third option and just a formal confirmation of the already established arrangement. The opponents may have, nevertheless, reservations about the status of such regulations and could consequently argue that indeed this would imply a shift towards an international organization with regulatory authority. In fact, the decision whether to use this measure would remain at the discretion of the Arctic States on the consensus basis. Although enacting legally-binding regulations requires a treaty-based organization, both the Ottawa Declaration and the Rules of Procedure do not preclude the launching and conducting of negotiations on legally-binding arrangements. Nevertheless, some amendments in this regard could be introduced to these documents to highlight this function of the Council. Still, when positively interpreted, the founding documents may be perceived as creating a space for arrangements of this kind even within the current mandate.

It is, therefore, a task for the Arctic states to deal with the pros and cons of such a resolution and their key criterion should be efficiency. It means that they need to answer a question about whether regulative instruments would be better managed and implemented outside the Council or within it. Nevertheless, if the inconsistencies with some states’ policies would be too glaring (in their interpretation), for the time being the AC should further develop its role as a venue for negotiations on instruments operating externally. The important thing to note in this connection is that the Council should not compete with the existing
institutions and instruments but rather supplement, enhance and co-ordinate them.

Being a leading forum dealing with circumpolar affairs implies fostering relations between the Arctic and other regional and global entities. The AC’s role in this regard should be not only co-operation with relevant institutions on regulations and governance of the region, but also drawing international public opinion’s attention to the problems of the Arctic and enriching its understanding of processes occurring there. To this end, the forum should increase the level of awareness of its very existence and activities, above all locally and regionally, and then, also globally. First and foremost, there is a need to enhance a “brand” of the Arctic Council and its stature as a premier source of well-established and reliable information on the Far North acknowledged by the Arctic states and involved non-Arctic actors. Communication with the rest of the world would require, in addition to scientific reports, a popular science approach based on intelligible messages distributed in the form of TV programs, newspaper articles, books, bulletins, etc. It is also important to develop a good platform for information flow between the Council (e.g. secretariat) and the mass media. There is, therefore, a need to enhance the AC’s capabilities in this field by the creation of a specialized section within the Secretariat.

In this context, it seems also inevitable to enhance co-operation with southern states, which often are key players in various international institutions, but also may facilitate amplifying the voice of the Arctic Council domestically. A special role might be played by the European Union with all its means and possibilities of influence and promotion, both among the member states and places where it acts as a unified entity. Promotion of the AC’s goals and programs worldwide should be one of the most critical functions of observers concerned with the Arctic. To effectively perform this task it seems important to maintain a constant and continuous exchange of information, access to research activities within the Working Groups, as well as meetings of the Arctic Council. This issue indicates another challenging area where the AC needs to seek improvement in the immediate future.

Along with increased interest in Arctic affairs, the outside actors aspire to be recognized as legitimate stakeholders in the region. Arctic states might be successful in blocking their efforts, as well as assuming an apt role within the AC
(Young, 2009a), but may find it difficult (if not impossible) to restrain the presence and activities of non-Arctic players in the Far North. Here the question emerges whether the Member States would prefer to have information about these developments in areas beyond their jurisdiction and maintain good relations with non-Arctic entities or close their own circle and allow the situation to unfold in an unco-ordinated manner. To avoid the latter scenario, Arctic states should analyze and take into consideration the goals and Arctic policies of these actors and envisage what potential alternatives to the AC are, which may prove to be detrimental to the Council itself as well as to regional co-operation and governance. Given that in all likelihood it takes place in the Ministries of Foreign Affairs of the Member States, these governments need to juxtapose their conclusions with each other and forge a common and balanced position. The new criteria for Observers (SAO Report, May 2011), although posing a step forward to settle the issue, seem rather to defer decisions on the applications, thus increasing impatience among non-Arctic actors and causing their sometimes harsh reactions (Larsen, 2011; Johnson, 2011). By the same token they have laid a foundation for a more restricted and cautious policy towards Observers aimed at discouraging rather than encouraging them to participate in the Council’s work (Graczyk, 2011). Additionally, it may be easily seen from above that these criteria do not fully reflect all the publicly stated positions of the Member States in this respect.

In this context, the Arctic Council should also take into account its role in the emerging security environment in the region. This does not mean dealing with military-related issues, excluded from its mandate, but rather seeking and establishing appropriate relations with organizations crafted for such purposes, namely the North Atlantic Treaty Organization (NATO) – including the NATO-Russia Council – and the Organization for Security and Co-operation in Europe (OSCE). Both institutions have expressed their interest in developments in the Far North, thus pondering the consultative and informative role of the Council seems to be highly pertinent to keep it the central forum for Arctic affairs. Interconnectedness and interplay between the AC and the OSCE could generate synergies in security areas, especially as all the Arctic states are members of the OSCE. Furthermore, the Council could consider its role in promoting regional peace and stability through respect for justice and the rule of international law, by for instance, incorporating the chief principles of the Ilulissat Declaration (with possible amendments) to the AC’s fundaments, and making the parties of it also non-Arctic actors having interests and capabilities to operate in the Arctic (in a
manner corresponding to their presence in the region). This has been partly done in the criteria for Observers.

Nevertheless, bearing in mind the wider international and high politics dimension of the possible AC’s role, it is essential to preserve and further enhance the unique character of the forum focused on the local and indigenous inhabitants. This means that the Council should not evolve towards a typical regional organization with a predominant political level, but instead be based on a bottom-up principle with the Working Groups and the Permanent Participants as fundaments. Higher politicization and decisions being made far below the Arctic Circle without hearing the Northern voices would not solve problems of the region. On the contrary, involvement of indigenous peoples in decision-shaping processes and research programs laying groundwork for policy recommendations have proved to be a right way of addressing many issues emerging in the Arctic. Accordingly, due to the growing importance of scientific assessments, primarily those of the WGs, for the entire governance system in the Arctic region, certain improvements might be applied to Observer participation in the projects carried out by the Arctic Council’s Working Groups.

The working level (comprising both the WGs and Task Forces) of the Arctic Council’s structure seems to be the most appropriate place to strengthen cooperation with non-Arctic actors and to demonstrate their commitment to the problems of the Arctic and Northerners as well as the goals of the AC. On the other hand, it is also an opportunity for the AC to receive additional financial resources, scientific expertise, as well as new views and proposals that could contribute to energizing activities within the AC. It is understandable that their involvement should be of a supportive nature (with the leading role of the Arctic nations) however Observers should not be perceived merely as a source of funding and resources, but as full research partners.

Currently, the AC does not seem to be ready to perform these functions unless the forum is substantially reformed. It will require concrete changes in the approach to its work and architecture. Thus, how can the Arctic Council structurally adapt to deal with the above outlined roles?
**Structural improvements**

The core issues pertaining to the structure include both questions of improvement of the existing bodies such as the Secretariat (ACS) and ideas for the creation of the new organs within the AC. These suggested arrangements have been narrowed to the most essential and involve as little resources as possible from the Arctic states for the sake of their limited willingness to increase financial commitments.

To improve the AC’s performance at the highest levels it should maintain the current non-binding nature of decisions and remain a decision-shaping rather than decision-making forum. However, as mentioned above, it seems that even with this caveat there is a room for certain improvements in this regard. First and foremost, there is a need to ensure efficient and well-established strategic planning in long- and medium-term perspectives. To this end a new political arrangement could be created, namely the Arctic Summits as proposed by Finland in its policy document. They would have a form of strategic conference (perhaps on the level of Prime Ministers) held every six to eight years (e.g. after completion of four subsequent chairmanships held by half of the AC member states), which could gather representatives of all the stakeholders (also non-Arctic) to discuss priority problems in the years to come, as well as to outline directions and goals in dealing with them. This would establish a framework for the AC’s work for the next decade, ensuring a comprehensive and coherent approach. In addition, such meetings would undoubtedly draw the world’s attention to the problems of the Arctic. Needless to say, the forum should also maintain the ability to react quickly to emerging and pending issues.

Chairmanships would operate within these schemes and could add their own objectives in line with the general plan. Biennially held Ministerial Meetings would do their current work and review sub-goals for the next chairmanship to keep it in accordance with the agreed strategic directions. This task could be supplemented by further developed meetings of Deputy Ministers, which could become sectoral in nature, gathering deputy ministers entitled to make decisions on specific issues discussed (e.g. ministers of transport, natural resources, and environment).

A novel feature that could contribute to more robust discussions within the Arctic Council is a group (committee) of experts (“wise men”) that would be responsible for directing the debate on Arctic-wide matters by delivering their expertise to the
PMs (at the Arctic Summits), ministers and deputy ministers, for instance, in the form of a keynote speech. This group would also serve as an advisory body that could be consulted both at the meetings and in periods between them (also by the SAOs if necessary). Its key role would be to stimulate the discussion on emerging issues and phenomena that need to be addressed by politicians. The more direct interaction could prove to be essential in the region of rapid changes. It is an open question who should be part of this group, but there should be places for distinguished scholars encompassing different fields of Arctic science. It is conceivable that it could emerge from enhanced co-operation between the AC and the International Arctic Science Committee, the Northern Research Forum, as well as the International Arctic Social Science Association.

While these arrangements are believed to elevate the Arctic Council’s status and trigger in-depth and intense discussions on a wide range of Arctic issues, the AC should focus on co-ordination of regional affairs without having to deal directly with issues that are controversial or excluded from its mandate. To act effectively as a co-ordinative hub for a set of international agreements and organizations, the Council needs to both initiate new processes and review existing ones in other bodies. It is critical to ensure that the Arctic Council has a say in any international agreement with relevance to the Arctic.

This role should be performed at all levels of the Arctic Council’s structure. At the political plane, comprising Arctic Summits, ministerial and vice-ministerial meetings, it could be considered to hold joint conferences with apparent institutions (when a certain issue is to be deliberated), for instance, representatives of the International Maritime Organization could be invited to the Ministerial or Deputy Ministerial Meetings in the case of discussions on the “Polar Code” or the Arctic Marine Shipping Assessment (AMSA) recommendations follow-up. Moreover, the form of joint sessions of two (or more) organizations, for example, the AC and the BEAC, should also seek to achieve synergies and reduce overlaps. The critical role of the Arctic Summits in this respect would be to initiate discussions on strategic legally-binding instruments regarding the Arctic that should be pursued in other institutions (presumptively requiring laborious negotiations) and, if necessary, to furnish different agreements with an Arctic perspective.
To increase chances of success for political projects in this regard, it would be necessary to adjust the operating level to these new needs. The most pertinent seems to be the creation of a working group or appropriate legal unit within the Secretariat which would review and trace all international instruments and institutions having any impact on the Arctic and could prepare expert reports recommending decisions for ministers in accordance with the “three-option” model and suggest steps forward. This special organ would also monitor domestic implementation of relevant international agreements and the AC’s recommendations among the Arctic (and possibly involved non-Arctic) states.

With regard to the Arctic Council Secretariat, further changes and redesign would be required. Above all, it seems inevitable to expand its structure by developing different units focused on specific areas. It should be capable to provide an institutional memory (archive, information centre, ensured continuity), legal services (review of international institutions and linkages to them, expert recommendations – if a special WG was not created) and currently performed tasks (SAO Report, May 2011). Moreover, it may be particularly useful to develop communications and outreach, media relations, or even a marketing unit that would strengthen the Council’s visibility. In addition, the Indigenous Peoples Secretariat (IPS) should be integrated with the ACS, as proposed in the SAO Report to Ministers at the Nuuk Ministerial Meeting (SAO Report, May 2011). This could both elevate the status of indigenous peoples (they would have their own unit and co-chair in the secretariat of the intergovernmental institution) as well as would add indigenous insight into the work of the ACS. This could also help to reduce costs and contribute to more efficient co-operation with the Permanent Participants. Relatively well-positioned SAOs should further supervise these developments, however, it comes as no surprise that their meetings most likely would have to be extended or become more frequent to cover all the issues.

A more intriguing question perhaps is how to tackle the Observer issue in a way that meets all the parties’ needs. First and foremost, it is apparent that the current arrangements are not entirely fit for this purpose, especially in relation to communication between the Arctic states and Observers. A good step forward may be the idea of an Information Symposium held for the first time along with the Deputy Ministers Meeting in May 2010 in Copenhagen. Nevertheless, given a rather informative and brief character of presentations, this form of communication is not sufficient to conduct an effective and substantive dialogue;
neither is it possible at the SAO nor (deputy) ministerial meetings. There is, therefore, a need to develop and regularize an additional channel of communication with accredited Observers.

A new arrangement could be modeled on the informal Warsaw meeting (March 2010) between all the state (and EU) Observers and the SAO Chair representing the Danish Chairmanship. Such a format allows free discussions on the most pending issues without disrupting the work of the Council. In addition, these meetings could be organized by Observer states that would not require any additional effort from the Arctic states except for the presence of its representative. The SAO Chair would be responsible for circulation of the meeting’s conclusions among the other Member States and the Permanent Participants and perhaps it could be discussed (if particularly relevant) at the SAO Meetings or further addressed (with reply from the Arctic states and the PPs) at the next meeting of this kind. Other guests, such as IPOs or IPS representatives, could also be invited. In addition, it is envisaged that Observers would be entitled to sit at the table and speak during the Arctic Summits.

Nonetheless, the fundamental question centers on a practical involvement of Observers into the Council’s work. The main emphasis should be placed on their scientific contribution within the WGs and Task Forces. All the state Observers carry out well-established and dynamic polar research programs that may provide the ACs projects with additional knowledge and experience, but also facilities and resources. Yet, it is accurate to say that their possible input is not (for many reasons) utilized sufficiently. It seems, therefore, necessary to improve a mechanism for incorporating Observers’ scientists into the WGs and TFs activities and avoid politicization of this level of the Arctic Council’s structure. Inclusion of non-Arctic researchers should be based on substantial consideration as well as the search for synergies and linkages between the AC’s projects and polar programs of southern institutes.

Making progress toward the achievement of these goals would require the participation of representatives of research centers from non-Arctic countries at the meetings of WGs and TFs with the right to propose new projects, especially those ones they would wish to finance. The chief idea behind this arrangement is that the WGs should operate as international research institutions, taking into account the quality of the projects and the researchers’ backgrounds rather than as
an extension of political organs. To further equalize the position of non-Arctic states at the working level, Observers should provide input to the AC’s project budget (Project Support Instrument), in addition to ad hoc funding. An application procedure based on the new criteria should allow the Member States to discard the last concerns about an Observers’ participation in the AC research programs.

The soft law nature of the Arctic Council makes the question of efficiency exceptionally important and challenging. This is particularly apparent with respect to the implementation of guidelines and recommendations which frequently have no follow-up activities. As a result, the AC’s projects do not fully comply with their role and there is no information on how efficacious the AC’s effort is. There are no simple solutions to the problem, but one way forward may be the creation of a mandatory mechanism to monitor the scope of implementation of programs, and to encourage the Arctic states to introduce recommendations to their domestic legal orders. Being in a good position to perform such tasks could prove to be the above described unit within the Secretariat, which could be based on the Protection of the Arctic Marine Environment WG (PAME) experiences in monitoring activities related to the AMSA follow-up. The procedure would involve periodical reports on how the states act on approved recommendations, what the level of implementation is and how much time would they need to apply certain solutions. On this basis, the unit would create a summary report on the status of implementation of specific recommendations, which would be presented at the SAO meetings. Such a mechanism could also contribute to increase capabilities related to the institutional memory.

Respectively, compliance information and the effectiveness of regional co-ordination would depend largely on the unit and its reports for decision-making. This supplementary body should ensure the exchange of information between the AC and these (or on these) institutions and search for the best proposals for filling in possible gaps and avoiding overlaps with respect to international regulations pertaining to the Arctic. Potential recommendations could include involvement of appropriate institutions (organizations and other bodies) or development of a new specific instrument.
Implementation

It is difficult to predict which of the proposed ideas are possible to implement, and to what extent they would meet the interest of the Arctic states. The premise of this paper in terms of implementation is to maximize utilization of the existing structures and minimizing the need for (protracted) negotiations, the outcomes of which may be far from expectations. There are certain arrangements and mechanisms already in place that may give a good basis for further development of the solutions offered by the present article. The majority of the decisions could be made by the ministers of the Member States, building on the already functioning framework. This applies, for instance, to the establishment of new working groups or decisions relating to the Secretariat. The ministers would also play a key role in convincing leaders of their governments about the idea of arranging the Arctic Summits with their participation. But it would be equally appropriate to develop further feasibility studies (especially to its legal and operational feasibility).

Furthermore, the introduction of permanent consultative meetings with Observers can easily be enhanced and expanded on the basis of the three previous meetings (in Brussels, London and Warsaw) and the experience of the entities that organized them. In addition, they could still be held in the Observer states, which could increase interest and provide reliable information on the Arctic cooperation, as well as promote the AC itself in the South (press coverage would be highly recommended), and contribute to outreach and communication in non-Arctic countries. One of the ideas for advancing implementation of the suggested actions may be a special conference (different from the ordinary AC meetings) on the reform of the AC which would have powers to make certain decisions or launch specific processes (including negotiations) leading to establishment of the proposed arrangements. The latter action could be also performed by the ministers at the ministerial meetings.

CONCLUDING REMARKS

The Arctic Council should remain a venue where interested actors (Arctic and non-Arctic) meet to solve real problems of the region, not only to assess and make recommendations, but to co-ordinate joint actions and develop mechanisms that review how adopted guidelines are implemented in domestic policies.
Simultaneously, any reforms should not be forced. It is the nature of international processes that any imposed actions, to which states have not yet matured, may do more harm than good. Changes within the AC should be a continuous process of adaptation to the dynamically changing environment.

However, some innovations are needed today. One of these is a question about the involvement of non-Arctic actors. They should add value, not cause problems. Joint research carried out under the auspices of the Arctic Council seems to be one of its most valuable achievements. Development of recommendations by scientists from many countries (including non-Arctic ones) contributes not only to a possession of the same and common knowledge, which is a basis for further action, but also enables learning from each other, understanding problems of individual countries from the earliest stages of decision-making processes, thereby increasing the potential for further peaceful co-operation. But if the AC became a more politicized body, i.e. if high politics and national interests dominated the Council’s work and influenced its shape, it is highly possible that its unique position and impact on the region would melt.

This paper has attempted to devise a profile of the Arctic Council in the years to come. It becomes more and more apparent that the AC cannot remain just a “study and talk” forum for discussion about the environment and sustainable development (Koivurova and VanderZwaag, 2007). Instead, the AC should increase its engagement in areas critical for the region, which includes not just the impact of oil and gas extraction, or increased marine shipping, but also issues that may pose a challenge for the spirit of co-operation in the Arctic. The member states should bear in mind both realms in which the Arctic Council has proved to be successful and those which it should cover in the forthcoming years. The intent behind this is to raise the AC’s role, so that the key players would not search for other avenues to handle their interests, while maintaining balance and the bottom-up structure. However, the present study has also revealed that there is no common vision for the Council’s future among the Member States. Overcoming these differences seems to be the issue of paramount importance in making any attempts to reform the Arctic Council.
ANNEX 1: THE NEW BALANCE WITHIN THE ARCTIC COUNCIL

Given the preceding analysis and subsequent conclusions, this section outlines 14 major recommendations based on research findings to make the key ideas more apparent. When searching for a new balance within the AC the following propositions may be considered:

Recommendation 1
The Arctic Council should adhere to the existing general idea of the mandate with possible new sector-based regulations akin to the SAR agreement.

Recommendation 2
The Arctic Council should utilize its “decision-shaping” function as much as possible since it may include many instruments and roles, including co-ordinative and consultative tasks. Given that all the Member States agree to strengthen the forum internally, it may be assumed that there is a space for new arrangements that could enhance the dialogue, also with non-Arctic players.

Recommendation 3
The formative, decisive and leading role of the Arctic states should not be challenged, and the Arctic Council should remain strictly regional in nature, albeit bearing in mind the international environment and the importance of the Arctic for the entire planet, as well as legitimate interests and the presence of external actors and interdependencies of the regional and global institutions.

Recommendation 4
The unique character of the forum focused on the local and indigenous inhabitants should be preserved and enhanced. This means that the Arctic Council should not evolve towards typical regional organization with a predominant political level, but instead be based on a bottom-up principle with the working groups and the permanent participants as fundaments.
Recommendation 5

A major focus of the Arctic Council should be to act as a co-ordinative hub for a network of international agreements (legally and non-legally binding), instruments and organizations regarding the Arctic, addressing literally all issues concerning the region by linking and providing other international institutions with reliable, high-quality and up-to-date knowledge and recommendations. This role should be performed at all levels of the Arctic Council’s structure. Accordingly, certain formalized actions to close identified gaps in regional governance architecture should be developed.

Recommendation 6

The Arctic Council should be able to draw international public attention to the problems of the Arctic and enrich its understanding of processes occurring there. To this end, the forum should increase the level of awareness of its very existence and activities by, in addition to scientific reports and assessments, a popular science approach based on intelligible messages distributed in a range of measures. An effective platform for information flow between the AC and the mass media by the creation of a specialized section within its secretariat should be considered.

Recommendation 7

One of the most essential functions of observers should be to promote the AC’s goals and programs domestically and worldwide. To effectively perform this task it is important to maintain a constant and continuous exchange of information and access to research activities within the WGs as well as meetings of the Arctic Council.

Recommendation 8

Co-operation with non-Arctic actors should be strengthened, first and foremost, at the working level (comprising both the WGs and TFs) of the Arctic Council’s structure. The mechanism of incorporating Observers’ scientists into the WGs and TFs should be improved by the creation of a permanent place for researchers from Observer states and organizations filled by agreement between these entities depending on their resources and interests. Inclusion of non-Arctic scientists should be based on a substantial consideration as well as a search for synergies and linkages between the AC’s projects and polar programs of southern institutes,
taking into account the quality of the projects and the researchers’ backgrounds. Politicization of this level should be avoided.

Recommendation 9

The Arctic Council should take into account its role in the emerging security environment in the region by promoting regional peace and stability through respect for justice and the rule of international law and consider interplay with security institutions. This does not mean dealing with military related issues excluded from its mandate, but rather seeking and establishing appropriate relations with organizations crafted for such purposes, namely the Organization for Security and Co-operation in Europe (OSCE), the North Atlantic Treaty Organization (NATO) including the NATO-Russia Council.

Recommendation 10

A new format for the Arctic Summit should be created to ensure efficient and well-established strategic planning through a long- and medium-term perspective. The purpose of these meetings would be to gather representatives of all the stakeholders (also non-Arctic) and establish a framework of the Arctic Council’s work for the next decade. Observers (as invited guests) should be entitled to sit at the table and speak during the Arctic Summits.

Recommendation 11

To enhance critical discussions within the Arctic Council, the creation of a group (committee) of experts (“wise men”) should be considered. Its task would be to direct the debate on Arctic-wide matters by delivering their expertise to the Arctic Summits, ministers and deputy ministers meetings, for instance in the form of a keynote speech. The committee would also serve as an advisory body and could be consulted both at the meetings and periods in between.

Recommendation 12

To further develop and regularise an additional channel of communication with accredited observers, a new arrangement – modeled on the informal Warsaw meeting (March 2010) between all the state (and EU) Observers and the SAO Chair – should be introduced. This format would allow free discussions on the
most pending issues without disrupting the work of the AC and would contribute to common understanding of the problems occurring in the region.

**Recommendation 13**

The creation of a mandatory mechanism to monitor implementation status and to encourage the Arctic states to introduce recommendations to their domestic legal orders is of great importance to improve the effectiveness of the Arctic Council. A specially designed unit within the secretariat could prove to be in a good position to perform such tasks.

**Recommendation 14**

Different units/posts focused on specific areas should be developed within the Arctic Council Secretariat. They should be capable to provide institutional memory, legal services, communications and outreach efforts, as well as currently performed tasks. In addition, the Indigenous Peoples Secretariat (IPS) could be integrated with the ACS.
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