

Centre for Military and Strategic Studies
CANADIAN ARCTIC SOVEREIGNTY:
RAMIFICATIONS FOR NORTHERN
TRANSPORTATION

Developing a Northern Transportation Strategy
Van Horne Institute

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**CENTRE FOR MILITARY
AND STRATEGIC STUDIES**



Main Themes

- Canada has always had a strong “concern” about Arctic Sovereignty/Security
- Establishment and Protection of Canadian Arctic Boundaries
- But for who and for what?
- Transportation is the key issue

Why Care Now?

- The Arctic is a state of massive transformation
 - Climate Change
 - Resource Development – (was up to a high \$140+ barrel of oil- now \$98WTI 109 Brent /barrel)
 - Geopolitical Transformation/Globalization

What is Sovereignty?

- Border, Population, Governance, Recognition by Others
- Ability to make the final authoritative decisions
- Is ultimately a means and not a end
- Is about control but is wrapped up in nationalism

Issue 3: Continental Shelf

Issue 2: Beaufort Sea

Issue 4: Hans Island/Lincoln Sea

Issue 1: NWP

Issue 5: Davis Strait



Issue 1: The NWP

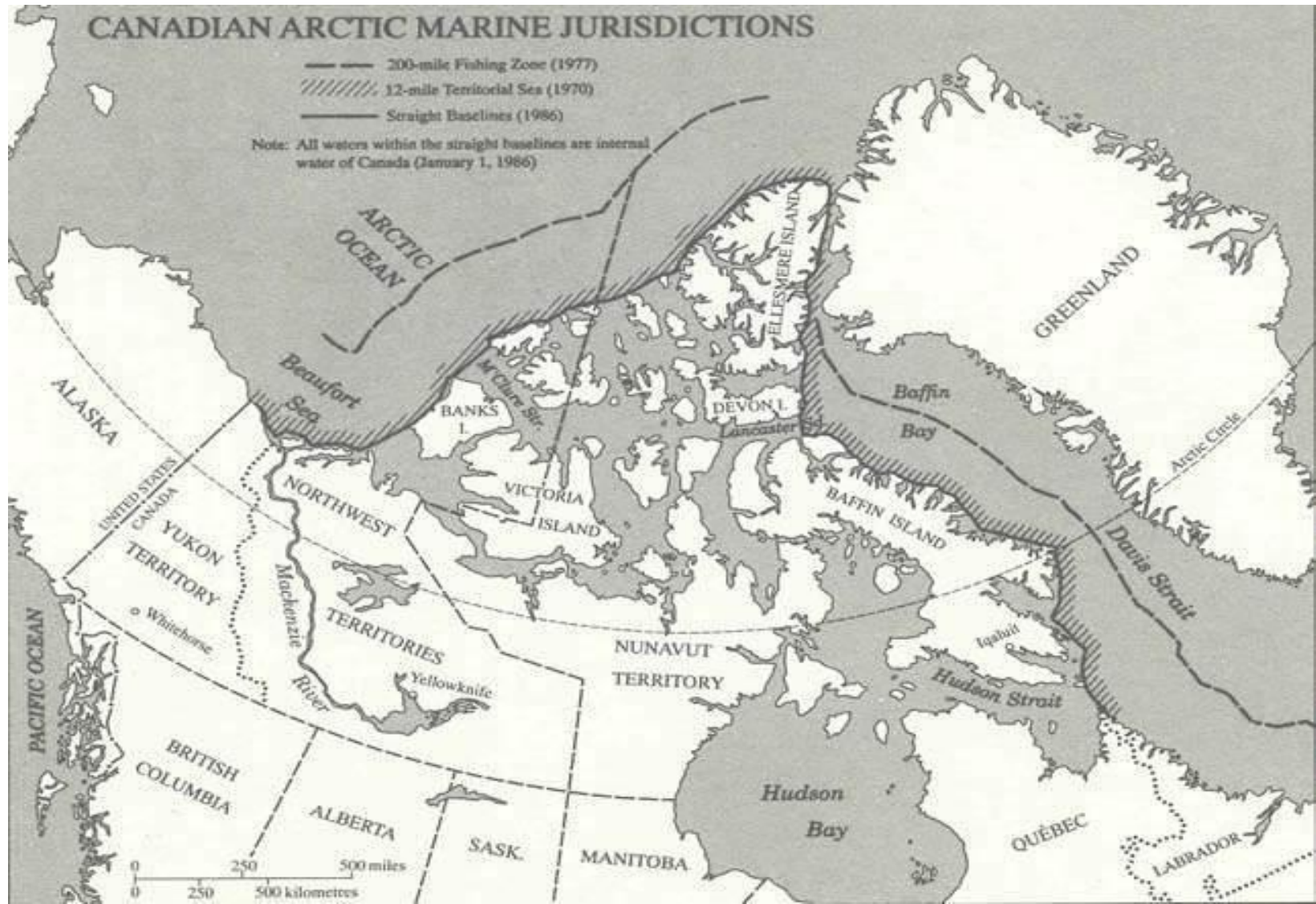
- Canadian position – **Internal Waters**
- US/(EU position) – **Strait used for International Navigation**
- Issue is over Control of Trans-Polar Shipping

The Nature of the Issue

- 2 main incidents 1969/70; 1985
 - 1969 *Manhattan* was test run for Alaska Oil
 - 1985 *Polar Sea* was operational voyage
 - 1989 Grounding of *Exxon Valdez*



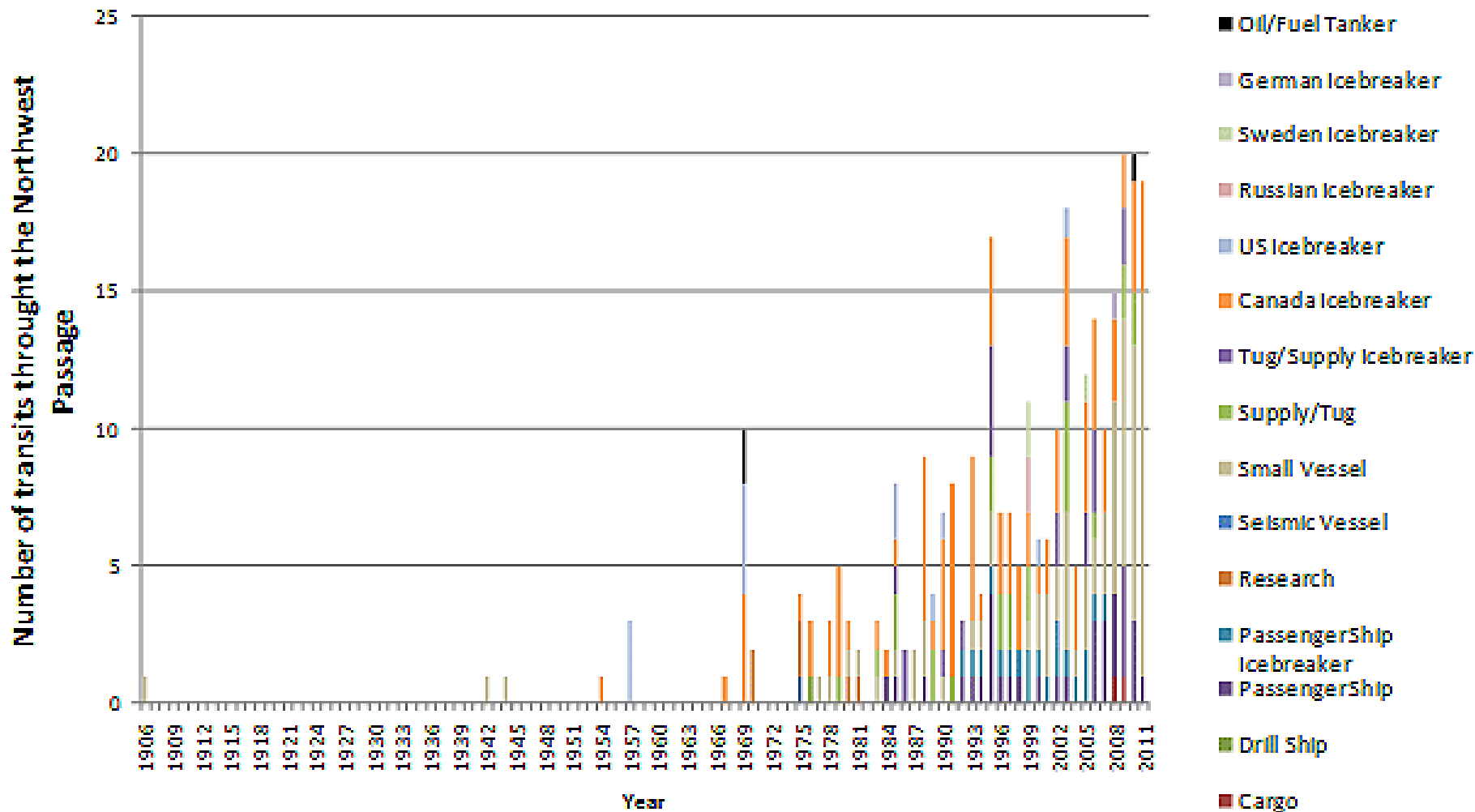
The Canadian Position – Internal Waters



The American (EU) View: Straits Used For International Navigation

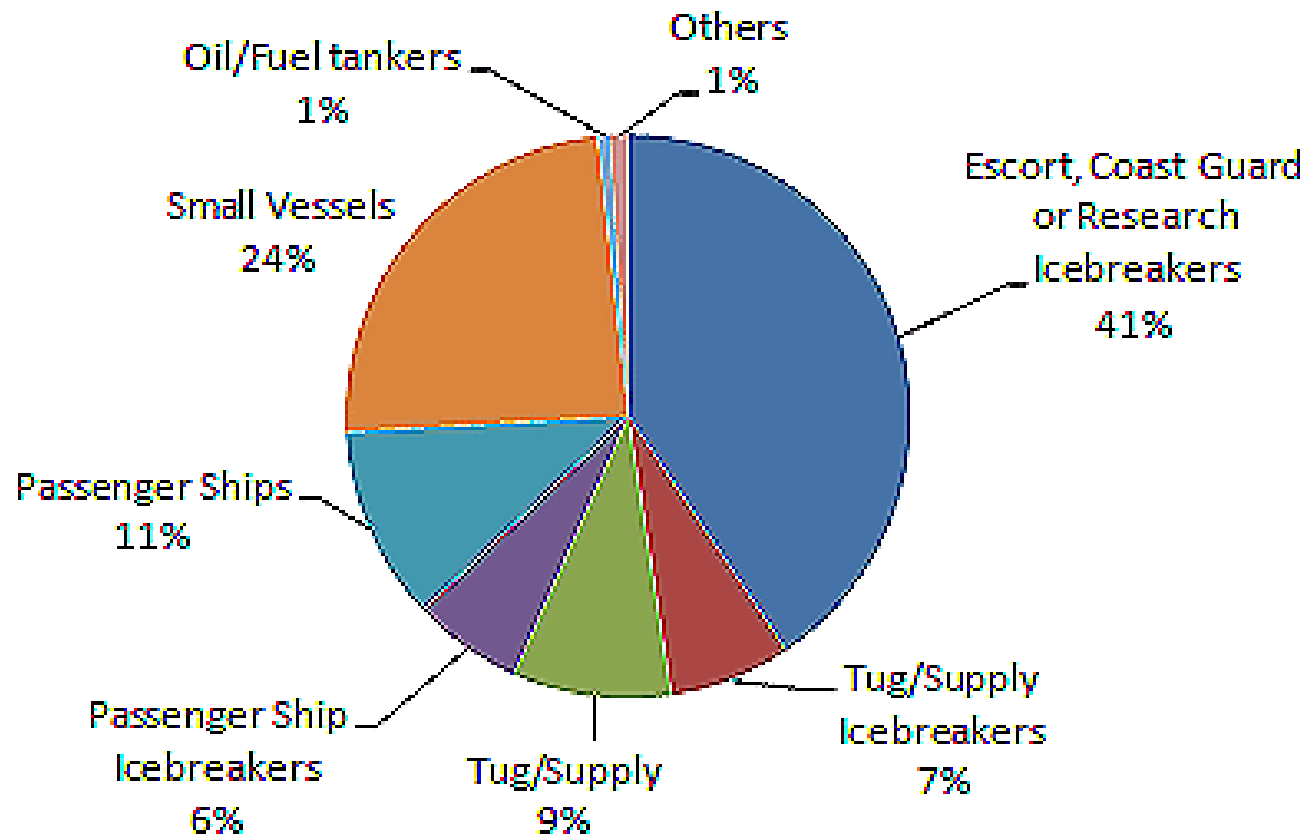


Transits of NWP



Type of Vessels

Type of ships in the Northwest Passage



Promised Canadian Enforcement Capability

General Arrangements – Upper Deck



15



Voyage of Berserk II – NWP 2007

- Lack of Enforcement Capability



Polarstern 2010

Sovereignty and Lands Claim



New Technologies: Arctic LNG/Ice-Capable Oil Tankers



Innovative and challenging technology for Arctic Shuttle Tanker has been developed and constructed by SAMSUNG Heavy Industries in Korea. The Vessel is world 1st Arctic Shuttle Tanker which is intended for independent operation in arctic region with the following specialties:

MAIN PARTICULARS

• Length	234.7 m
• Breadth	34.0 m
• Depth	21.0 m
• Deadweight	70,000 mt

PERFORMANCE & PROPULSION

• Speed in ice	3.0 kts
• Speed in Open water	15.7 kts
• Azipod	10,000 kW x 2 sets

WINTERIZATION

• Design Air Temp	-45 °C
• Winterization Design	

OWNER & BUILDERS

• Owner	Sovcomflot
• Builder	Samsung Heavy Industries

BUILDING SCHEDULE

• Contracted	Nov. 10 2005
• Delivered	Jan. 1 2008



- Role played by South Korea
- Increasing Importance of non-Arctic States

Passage of the Nordic Orion

- Sailed NWP Sept 6-Oct 3, 2013
- Sailed from Vancouver to Pori Finland
- Carried a load of metallurgical coal
- 75,603 DWT



The Geopolitical Dimension

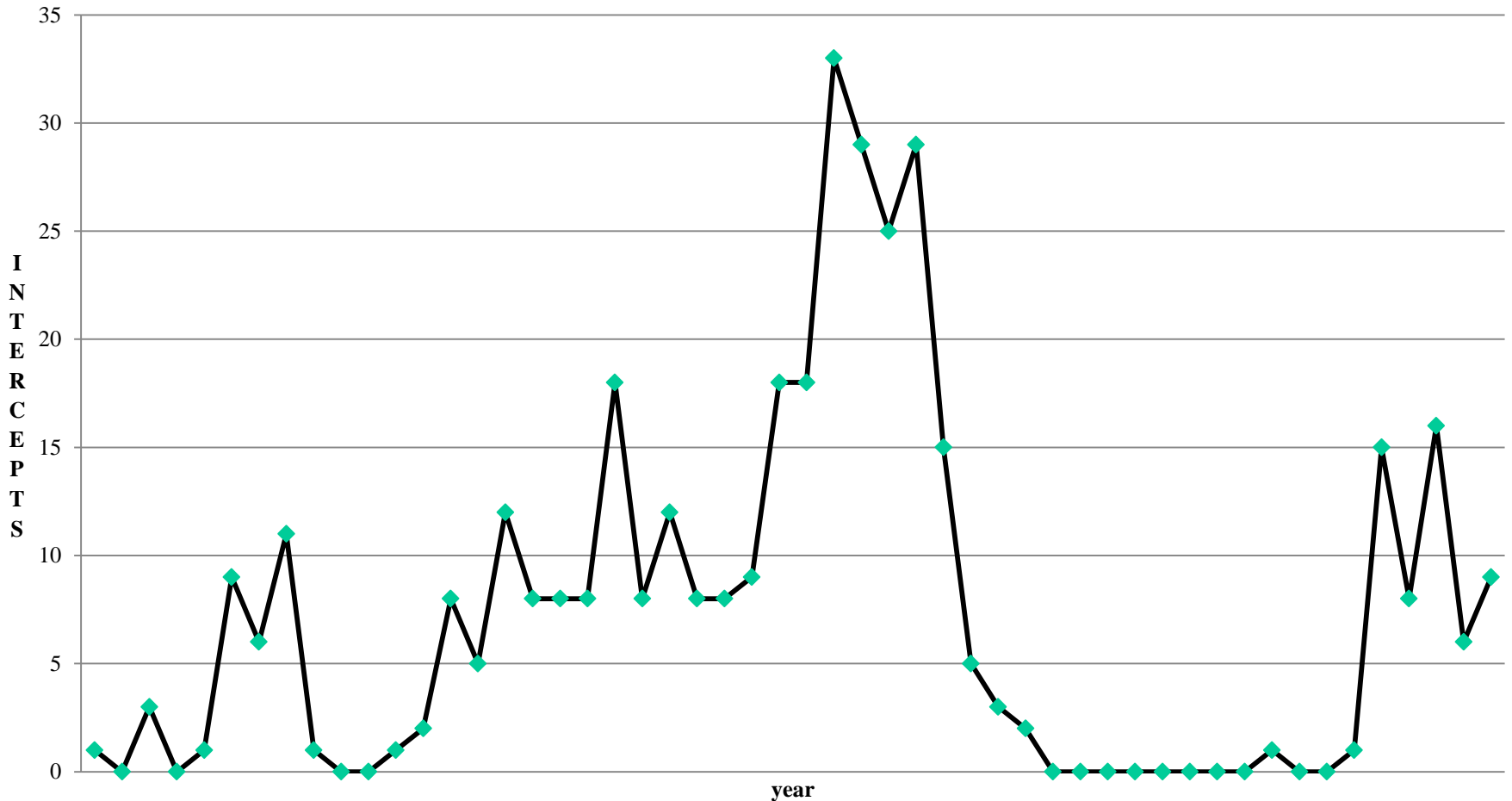
- The core US position on NWP is based on concern with precedent – Strait of Hormuz
- But US knows if Northwest Passage is an International Strait there will be security outputs; also International Right of Overflights
 - Possible future security maritime threat – Freedom of Navigation
 - Existing Aerospace Threat

Resumption of Russian TU-95 (Bear) Arctic Flights, August 18, 2007

- If US/EU position on Northwest Passage is correct then these aircraft have the right of over-flight



Intercepts of Russian Aircraft in Canadian Arctic



Impact of the Northern Sea Route

- NSR is gaining in importance and significance
- 2010 – 6 transits
- 2011 – 18 transits
- 2012 – 46 transits
- 2013 - 40 transits



Impact of the Northern Sea Route

- Russia is moving to exert strong control
- Permission, ice-breaker escort, pilotage, fee
- Have refused permission
 - Greenpeace;
 - 547 application to operate in area, 461 granted
- Increasing military presence



Greenpeace and Opposition to Oil Drilling

- May 24, 2011 protest against Greenland Offshore Drilling
- Sept 18, 2013 protest against Russian Offshore Drilling
- Summer of 2014 – Drilling is expected in Bueafort Sea – Imperial, Exxon-Mobil, BP

Coming Issues

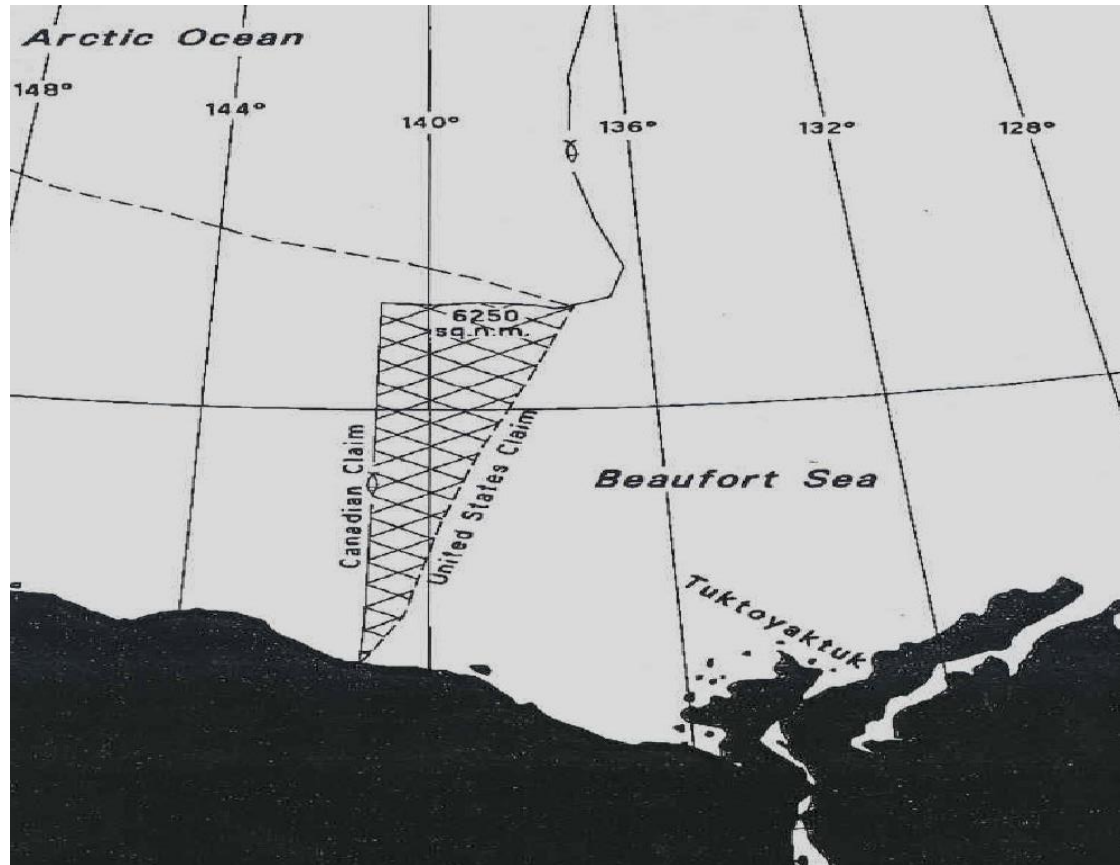
- “Mandatory” Enforcement of NORDREG
 - Is it Canadian rules, or International rules dressed up like Canadian? Impact on Domestic Politics
- Use of Land Claims by communities to “enforce” Canadian claims of Internal Waters
- Growing assertiveness of EU on NWP/NSR
- China?
- Impact of Russia Security Actions

Issue 2: Beaufort Sea

- 1825 St. Petersburg Treaty – UK/Russia
- Has been “managed” by Canada and US
- Overlaps with numerous issues of importance outside of Arctic
- Talks began between US-Canada summer 2011
- Impacts of Norway/Russia settlement

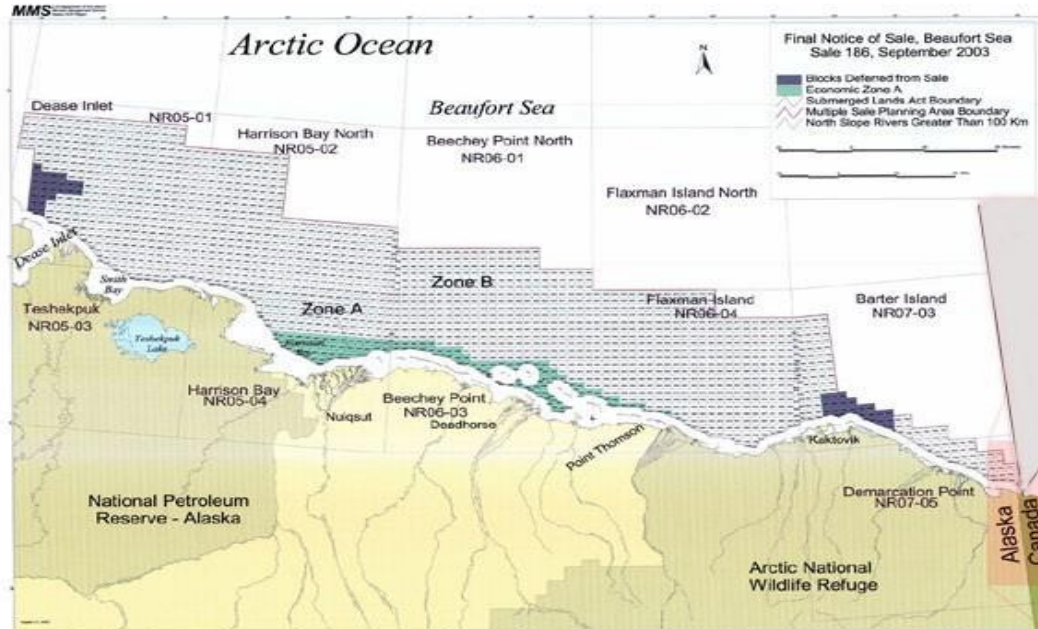
Beaufort Sea Dispute

Canada - US

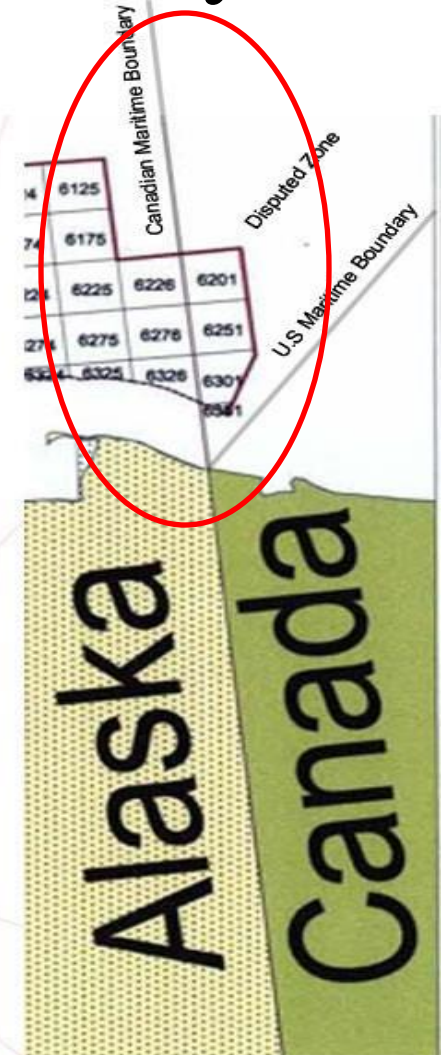


Maritime Boundary Issues: Oil and Gas

Canada-US - Beaufort Sea Boundary Issue

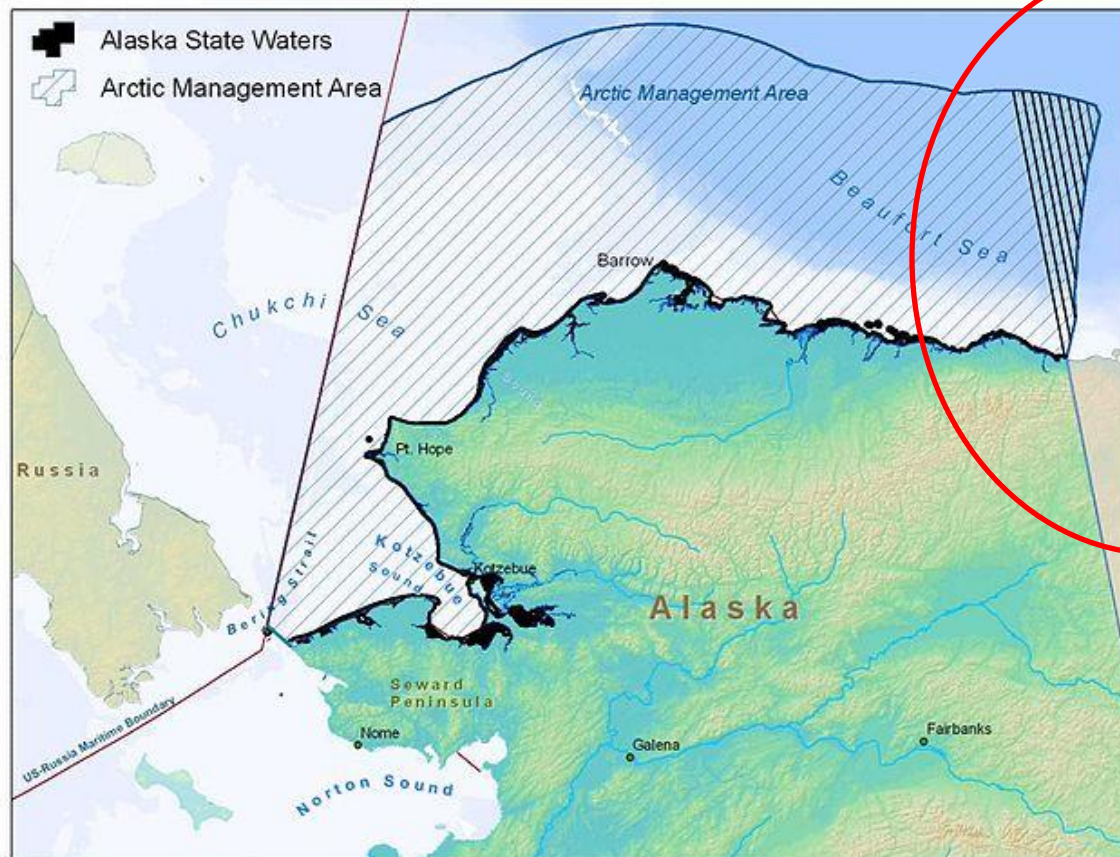


Map Source:
U.S. Department of Interior
Minerals Management Services
Alaska OCS Region
<<http://www.mms.gov/alaska/images/Sale186Small.jpg>>
* Maritime Boundary Lines Added



Source: US Dept of Interior

US Moratorium on Commercial Fishing of the Beaufort Sea- 2009



Cross-hatched regions is claimed by both Canada and the United States.

1984 Western Arctic Claim Inuvialuit Agreement



Coming Issues

- Resource Use – Fishing; oil, gas, gas hydrates; shipping
- Land Claims
- Relationships with local communities/northern peoples
- Defence Relations - ABM
- Impact on Extended Continental Shelf Claims

Issue 3: Extended Continental Shelf

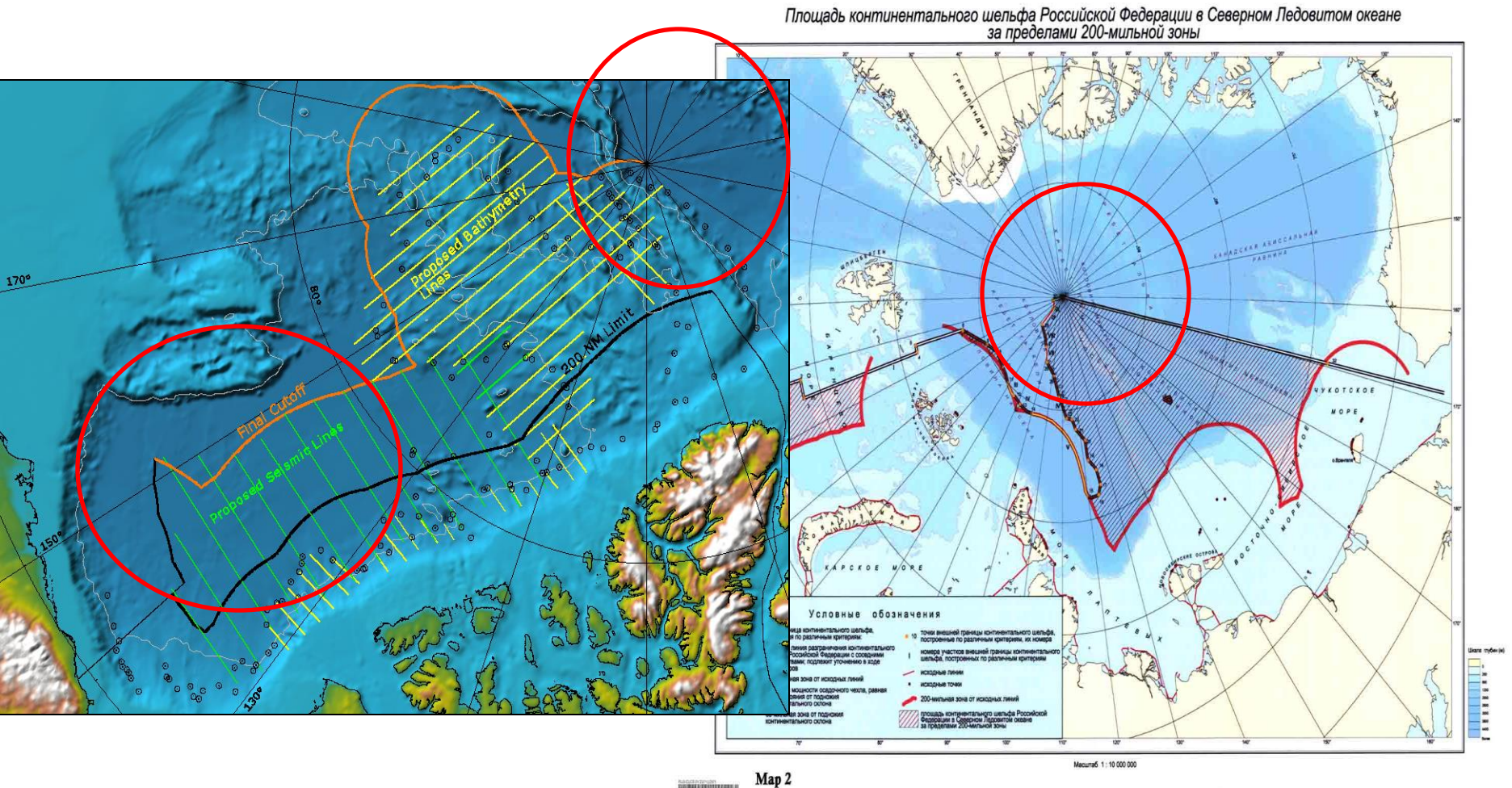
- UNCLOS article 76
 - finished mid – 1970s/officially 1982
- Sovereign rights over soil and subsoil (oil and gas)
- Russia 2007+; Canada 2013; Denmark 2014; US ?
- Must resolve differences peacefully
- Ilulissat Declaration May 2008

Maritime jurisdiction & boundaries in the Arctic

www.dur.ac.uk/ibru/resources/arctic



Canadian Effort/Expected Russian Claim: Article 76



Coming Issues

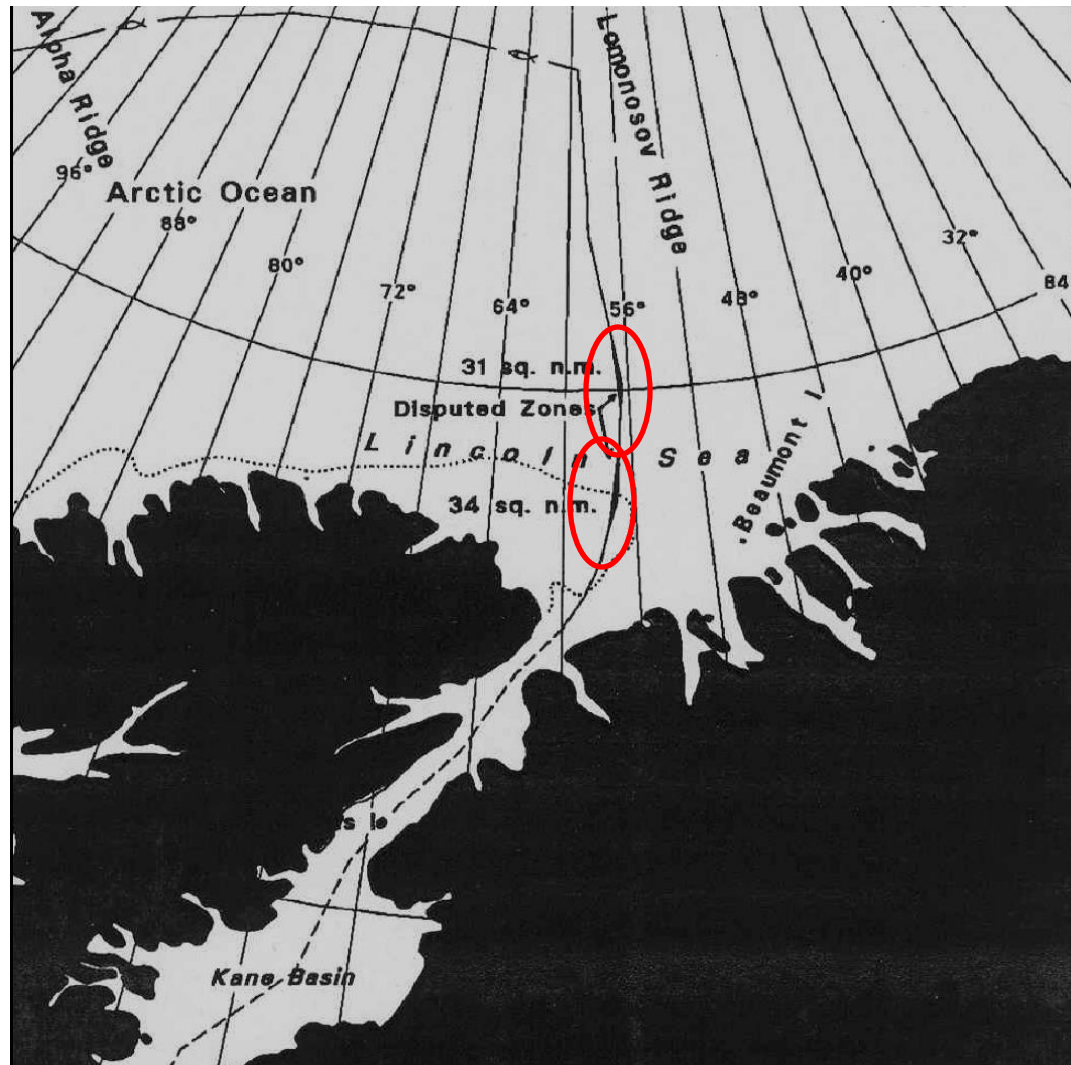
- Impact on Oil and Gas Development
- Impact on Fishing Management
- Impact on Political Relationship
Russia/Denmark/US – Canada
 - “Santa Claus nationality”
- Length of Time for Commission to evaluate submissions (10 years?)

Issue 4: Hans Island and Lincoln Sea

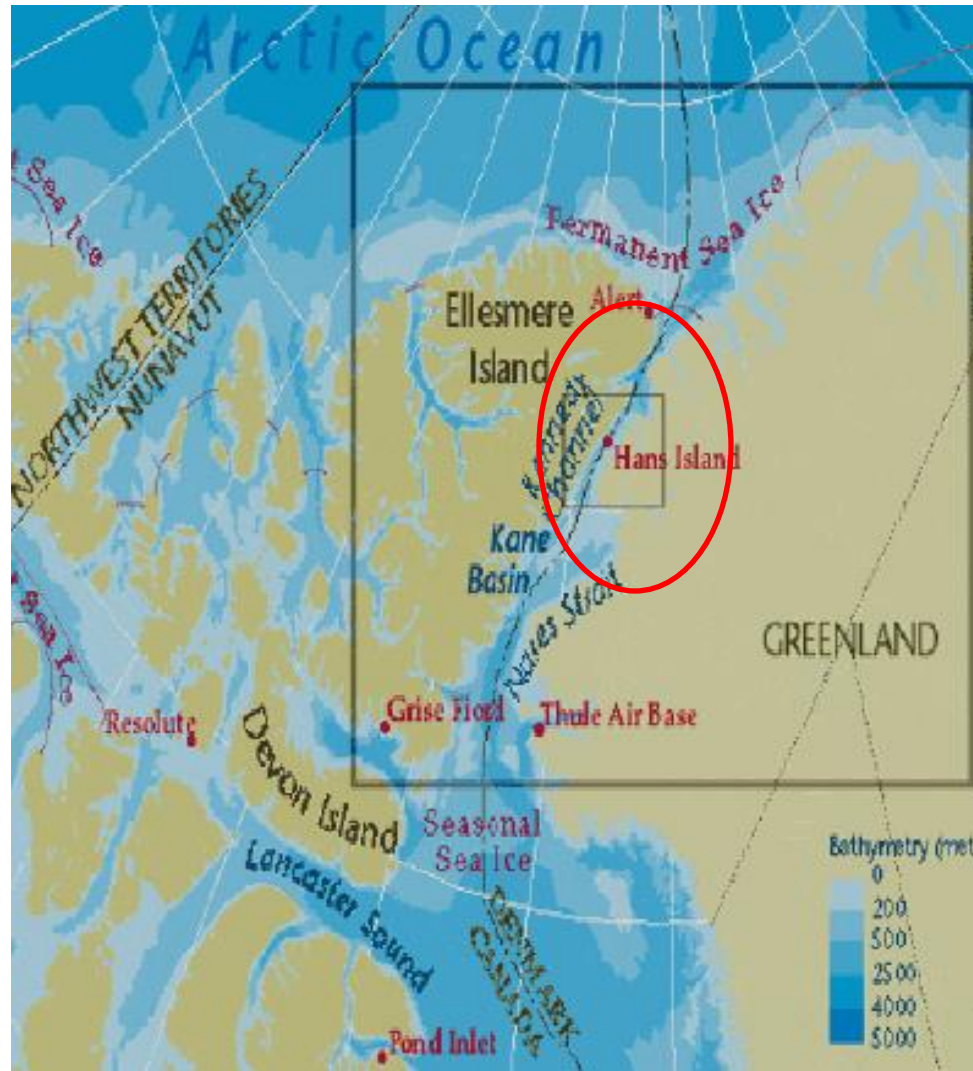
- Lincoln Sea Dispute
 - Technical basis
 - minor impact
 - Resolved November 28, 2012
- Hans Island
 - Minor impact
 - Does not impact maritime Boundary
 - But illustrates the political and public nature of disputes
 - Canada and Denmark have de facto division

Lincoln Sea Dispute

Canada - Denmark



Hans Island



Land Boundary Dispute: Hans Island



Coming Issues

- Limited
- Possible Public Backlash if de facto agreement re-enters media attention

Issue 5: Denmark-Canada Davis Strait

- 1973 Boundary Agreement
 - (Except Hans Islands)
- Discovery of geological indicators of oil and gas

1973 Agreement



Cairn Oil Discovery



Coming Issues

- If oil is discovered; and if the find is substantial; and if geological province does extend to Canadian side – what does Canada do
- Newfoundland vs Nunavut vs Federal
- Resource Development vs Conservation
- Independent Greenland

Conclusion

- New concerns are arising as Arctic is perceived/becoming more accessible
- Issues will be Maritime/Aerospace
- Canada has been preoccupied with resolution/determination of boundaries
- Canada will now need to deal with the real issues