CANADIAN ARCTIC SOVEREIGNTY
NEW CHALLENGES & OPPORTUNITIES IN THE 21ST CENTURY

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IRVING SHIPBUILDING CHAIR IN CANADIAN ARCTIC MARINE SECURITY
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2019 SUMMER MINIMUM

Map showing sea ice concentration (percent) with median extent (1981-2010) indicated.

September 18, 2019

Sea ice concentration (percent)

15

100

NOAA Climate.gov
Data: NSIDC
The new Cold War? Russia sends troops and missiles to the Arctic as Putin stakes a claim for the region's oil and gas reserves

- Russia, Norway, Denmark and Canada are fighting over the Arctic territory
- Putin is building six bases in the Arctic, and sending troops and missiles
- It's estimated that billions of tonnes of oil and gas lie beneath the seabed
- Experts warn it shows willingness to use a military threat to claim the land
- See news on Russia and its Arctic claims at www.dailymail.co.uk/russia

By IMOGEN CALDERWOOD FOR MAILONLINE
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Russia is beefing up its military presence in the Arctic, sending troops and missiles to strengthen its position in the competition for the region's extensive oil and gas reserves.

As well as deploying advanced anti-aircraft missiles to the region, President Vladimir Putin is overseeing the completion of six new bases designed to see off foreign competition for the natural resources.

It is estimated that billions of tonnes of oil and gas lie beneath the seabed, which is currently disputed territory.
DEFINING THE ARCTIC(S)
IN CANADA – UNCONVENTIONAL SECURITY
RESOURCE DEVELOPMENT & SHIPPING

• Mining leads to organized crime, drugs, new policing requirements
• Oil and gas (if ever developed) will require new surveillance, environmental response capabilities
• Health emergencies
• Civil emergencies
• Activity of any sort will increase SAR requirements
Hydrographic Surveys & ENC Upgrades for Top Oil & Gas Handling Ports & Routes South of 60°N

Oil & Gas Ports
- Belledune
- Charlottetown
- Clarkson
- Come by Chance
- Contrecoeur
- Halifax
- Hamilton
- Kitimat *
- Nanticoke
- Port Alfred
- Port Cartier
- Port Hawkesbury
- Prince Rupert
- Québec
- Saint John
- Sarnia
- Sept-Îles
- St. John's
- Sydney
- Vancouver Harbour

* Funded World Class 2012

Status of Arctic Surveying North of 60°N

January 2, 2013

Here there be Dragons…
“we move about in ice like a porcupine makes love, very carefully.”
- Commander, HMCS Protecteur (1973)
NEW DANGERS

Conventional Defence
and headquarters

Note: Russia has annexed Crimea and the port of Sevastopol.
Sources: Defense Intelligence Agency, TeleGeography
TIM MEKO/THE WASHINGTON POST
SAMPLE INTERCEPTS

18 Sep 14: CF-18s ID 2 x TU-95s
8 Dec 14: CF-18s ID 2 x TU-95s
2 Apr 14: F-22s ID 2 x TU-95s
9 Jun 14: F-22s ID 4 x TU-95s,
17 Sep 14: F-22s ID 2 x TU-95s,
         2 x IL-78, 2 x Mig-31
9 Jun 14: F-15s ID 2xTU-95s
A monumental struggle for the Arctic is taking place almost unnoticed amid the ongoing geo-political upheavals in Africa, Asia and the Middle East.

The world was used to the fact that major intrigues are invariably related to the Arctic Council, which was set up back in 1996 to settle territorial disputes between the northern countries, namely Russia, Canada, Denmark, Finland, Norway, Sweden, the United States and Iceland.

Things have changed. Other countries now seem to resent this approach, for they would also like to take part in the division of the Arctic pie. Following in the footsteps of the UK, Germany, France, Spain and Poland are India, Japan, South Korea, Australia, Brazil and China, which are knocking at the Council door, insisting that the Arctic should belong to everyone.

The Chinese proved the quickest in taking action. They launched several polar expeditions, set up a polar station on Spitsbergen Island and got an icebreaker of their own.

The Arctic has not yet been proclaimed to be available to one and all, but the issue of free access to its riches has already been raised, and this has at once added to the importance of the use of force.

In May of this year mass media carried details of Denmark’s “Strategy for the Arctic.” It follows from the document that Denmark claims the continental shelf in five areas around the Faeroe Islands and Greenland, and also the North Pole, which it sees as part of the Greenland shelf. Copenhagen plans to make a relevant submission to the United Nations Commission on the Limits of the Continental Shelf no later than 2014.

The news drove Canada crazy, since Ottawa proclaimed its sovereignty over the North Pole back in the 1950s. Under the International Court ruling, the claim may be granted if no other country proves, within 100 years, that the Arctic Ocean floor belongs to it. More than half of the term has elapsed since, but in recent years the demonstratively peaceful Canada, which has actually never fought a war, has started showing unprecedented alarmism.

When it became clear five years ago that global warming is making it possible to navigate through the Northwest Passage from the Baffin Bay to the Lincoln Sea, the Canadian authorities sent six patrol boats to the region.
RUSSIAN ARCTIC PROJECTS

- Recoverable commercial reserves in the deposits amount to over 430 million tonnes of oil and 8.5 trillion cubic metres of natural gas
DECLINING BASINS

Western Siberia – 63%
Volga-Ural – 22.1%
Timan-Pechora – 6.3%
Eastern Siberia – 3.9%
Far East – 2.9%
Northern Caucasus – 1.8%
Russia’s Projected Oil Production and Cost of Extraction

- **Bazhen Formation (shale)**
- **Other hard-to-recover oil reserves**
- **East Siberia and Far East greenfields***
- **Condensate**
- **West Siberia and Ural Basin greenfields** (conventional)
- **West Siberia and Ural Basin brownfields** (conventional)

**Production**

Hundred thousand barrels per day

**Cost of Extraction**

USD per barrel of oil equivalent

*Greenfields = new or rising production; *brownfields = production plateaued or declining

**Natural gas, shown in barrels of oil equivalent

Source: Energy Systems Research 2019

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RUSSIA: A TWO-FOLD POLICY

1) Push a siege mentality and use the Arctic to posture
2) Push for restraint and cooperation
   • Russia has tried to firewall the Arctic from broader disputes
   • Policy statements highlight the need for cooperation
WHAT’S A ‘NEAR-ARCTIC’ STATE?
PARTNERING WITH RUSSIA

• Sanctions removed Western technology and financing
• Hundreds of billions of dollars in deals with China in the last two years
• Invitations to both China & India for partnerships
  • $400 billion deal between Gazprom and CNPC
  • $12 billion in loans for the Yamal project from Chinese banks
  • CNPC partners with Rosneft to explore the Barents and Pechora Seas, purchases 20% of the $27 billion Yamal gas project, and pays $1 billion for a 10 percent stake in Vankor
    • China paid roughly $2,262 for each producing barrel
      (compared to the $7,200/barrel that CNPC spent acquiring Nexen in 2013).
Civilian research could support a strengthened Chinese military presence in the Arctic Ocean, which could include deploying submarines to the region as a deterrent against nuclear attacks

HOW WORRIED SHOULD WE REALLY BE?

- Less of a defence threat than is often presumed
- Ironically, CANUS interests are served by Chinese submarines in the Arctic
- The Arctic as a ‘distraction ground’
USN submarine operations to 1979
THE THREAT ENVIRONMENT

• Growing traffic and activity, creating safety issues
• Growing unconventional security threat
• Growing military threats, or at least perception of them

• Growing political danger as the 70 year old modus vivendi with the United States is breaking down and the rest of the world is becoming more interested in the region.
"The Damn Thing Melted"
Canadian Arctic Islands and Mainland Baselines
Territorial Sea Geographical Coordinates (Area 7) Order
P.C. 1985-2739, 10 September, 1985 (SOR/85-872, 10 September, 1985)
Schedule I: straight lines joining Points 1 to 163
Schedule II: 27 low-water line segments along coast
Schedule III: 5 low-water line segments of islands
and low-tide elevations

Scale: 1: 13.5 million (approx.)

Baseline ........................................... 78
Selected turning points ......................... + III-5

Derived from “Maritime Zones of Canada” @ 1: 6,750,000 (March, 2000),
Chart M-400, by the Canadian Hydrographic Service,
Fisheries & Oceans Canada

Point 163 (Schedule I), Cabot Island, is also Point 42 (Schedule I, Area 1,
Labrador) of c. 1550, CRC 1978.
Eaux territoriales à 12 miles nautiques
WE LOOK UP, THEY LOOK OUT ...
HOW WAS THE PROBLEM SOLVED (OR AT LEAST PUT ON ICE)

• Bilateral conversations
• Little immediate interest in the Arctic itself
• Level-headed, practical diplomats in both countries less concerned with winning than with managing the relationship and avoiding a fight

• An open conflict is a lose-lose for both parties
SHIPPING POLITICS: BOTTOM UP CONFIRMATION

• Canada has long worked to secure US government recognition of sovereignty
  • That was never going to work
  • In the 21st century, that recognition can be better demonstrated with a wider appeal to private enterprise.
CONCLUSIONS

- Arctic security policy can’t be all encompassing
- Circumpolar geopolitics are an extension of global concerns
- Investments have to match the threat with the wider world in perspective
- Cooperation is essential
Questions?