



**China-Nordic Arctic Research Center  
Newsletter, 3<sup>rd</sup> Issue, March 2015**



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## Summary Report on 2<sup>nd</sup> China-Nordic Arctic Cooperation Symposium and related event

By DENG Beixi & Egill Thor Nielsson

The 2<sup>nd</sup> China-Nordic Arctic Cooperation Symposium, 'North Meets East', took place in Akureyri, Iceland the 2<sup>nd</sup> to 5<sup>th</sup> of June 2014. The Symposium was jointly organized by the China-Nordic Arctic Research Center (CNARC) and the Icelandic Centre for Research (RANNIS); other local organizers included the Town of Akureyri, Arctic Portal, Icelandic Arctic Cooperation Network, Stefansson Arctic Institute and University of Akureyri Research Centre. The Nordic Council of Ministers and NordForsk supported the symposium, and grants were also obtained from the following Icelandic beneficiaries: the Ministry for Foreign Affairs, Ministry of Education and Science, Climate Research Foundation, Eimskip, Icelandair Group and Samskip.

The symposium gathered over 70 participants from the Nordic Countries, China, Canada, Russia and United Kingdom; with 38 presentations taking place in four sessions, which included a (1) Plenary session, (2) Arctic Policies and Governance, (3) Arctic Policies and Economy and (4) Arctic Policies and Maritime Cooperation. Chinese scholars and officials presented 16 (almost half) of the 38 presentations, and more than 30 Chinese participants attended the symposium. A detailed report on the symposium will be further elaborated in the later paragraphs.

The majority of the symposium participants were scholars with Arctic-related research interests, however the symposium also attracted political leaders, officials, diplomats and businesspeople. Amongst participants were the President of Iceland, Iceland's Minister for Nordic cooperation, Former Minister for Foreign Affairs (2009-2013), Senior Arctic Official of the Icelandic Ministry for Foreign Affairs, the Mayors of Akureyri and Fjardarbyggð, and the Director of the Icelandic Center for Research. From the Chinese side officials from State Oceanic Administration of China, Ministry of Foreign Affairs, Embassy of China to Iceland and the Director of the Polar Research Institute of China participated in the event. Diplomatic presence included the Ambassadors to Iceland of Russia, Canada and the United Kingdom, and chargé d'affaires from Norway.

The symposium itself took place on the 3<sup>rd</sup> and 4<sup>th</sup> of June, however three complimentary side events were also planned for the occasion:

- 1) Lay the foundations of the Aurora Observatory and Reception. Hosted by Aurora Observatory and RANNÍS. Kárhóll, Reykjadal (2<sup>nd</sup> of June, 17:10-21:30)
- 2) Assembly of CNARC Member Institutes. University of Akureyri, Akureyri (3<sup>rd</sup> of June, 17:15-18:45)

3) China-Iceland Arctic Economic Roundtable. Hotel Natura, Reykjavík (5<sup>th</sup> of June, 15:00-17:00)

**The welcoming reception** for the 2<sup>nd</sup> China-Nordic Arctic Cooperation Symposium was held at Karholl, Reykjadal as a token of good faith for the joint China-Iceland Aurora Observatory project in the afternoon of 2<sup>nd</sup> of June. At this occasion the groundbreaking ceremony of the observatory was held between the cooperation partners, including participation from the Icelandic Ministry for Foreign Affairs, the Chinese Embassy in Iceland, the Icelandic Centre for Research, the Polar Research Institute of China and the Board of Directors of the projects Icelandic cooperation partners (Regional Development Agencies, along the Icelandic Centre for Research and Arctic Portal). All symposium participants and both Icelandic and international media were invited to the laying of the foundations. The reception included speeches from officials and scientists leading the project.



During **the assembly of CNARC Member Institutes** taking place on the 3<sup>rd</sup> of June, the representatives from all eleven member institutes were all present. The secretariat presented the CNARC Activities report in the past 6 months (from Dec. 2013 to June 2014), including the report on the establishment of CNARC, the minutes for the First Assembly of Member Institutes of CNARC, the acceptance of Shanghai Jiao Tong University – Center for Polar and Deep Ocean Development (SJTU-PADOD Center) as new member institute, as well as the presentation on “Asian Countries and the Arctic Future”, seminar co-organized by CNARC member institutes, Shanghai Institutes of International Studies and Fridtjof Nansen Institute. Then, the assembly reviewed the guidelines for CNARC fellowship program of Year 2014 and further discussed CNARC’s publication project of “Nordic Arctic Issues and their Global Relevance” in a more constructive approach. In the last session, Dr. YANG Jian, vice-president of SIIS, introduced the proposal for the 3<sup>rd</sup> Symposium that is to be held in May 2015 in Shanghai.

On the 5<sup>th</sup> of June **the first China-Iceland Arctic Economic Roundtable** took place in Reykjavik and was the final component of the 2<sup>nd</sup> China-Nordic Arctic Cooperation Symposium. Keeping with the model established during the 1<sup>st</sup> China-Nordic Arctic Cooperation Symposium, which was held in Shanghai in June of 2013, and concluded with a roundtable discussion on the establishment of CNARC. The China-Iceland Arctic Economic Roundtable, with the central theme *‘Synergies between China and Iceland for Arctic Economic Cooperation’*, was jointly organized by the Icelandic Arctic Chamber of Commerce, Icelandic Arctic Cooperation Network and Icelandic Centre for Research in cooperation with CNARC. Arion Bank and Landsbanki were sponsors of the event. A Chinese Business delegation of six persons presented their interest in Arctic economic cooperation and leading Icelandic companies introduced their Arctic-related operations, follow by discussions on further Arctic economic

cooperation between the two countries. Remarks were also offered by the Icelandic Ministry for Foreign Affairs and by the Embassy of China to Iceland. This was the first time a Chinese Arctic business delegation visited an Arctic country and before the roundtable the delegation had held meetings with Icelandic officials and business representatives in Akureyri, Reykjavík and Reykjanes on increased economic cooperation between China and Iceland.



**The symposium** held from the 3<sup>rd</sup> June to the 5<sup>th</sup> June for two whole days, gathered over 70 participants from the Nordic Countries, China, Canada, Russia and United Kingdom; with 38 presentation taking place in four sessions. In the plenary session, Mr. Olafur Ragnar Grimsson, President of Iceland and Mr. CHEN Laiping, counselor of the Embassy China to Iceland, deliver speech of inauguration for the symposium.

Mr. President first reviews and re-examines the China-Icelandic Arctic cooperation, he points out that just as Arctic cooperation is established on the bases of scientific cooperation, and China-Icelandic Arctic cooperation well demonstrates that science leads the way. Back in 2012, when China's Snow-Dragon Icebreaker sailed through the North-East Passage and visited Reykjavik en route for the first time, Chinese and Icelandic scientists with their specialties in polar research gathered in the University of Reykjavik, talking about the environmental impacts on China of ongoing changes in the Arctic sea ice and glaciers in Greenland. Mr. President feels that future of China is closely related to the Arctic, and to his delight, Chinese scientists, along with scientists from Korea, France and other now Arctic Council observer states have been engaged in the Arctic scientific cooperation with the Arctic states. He also mentions the ongoing efforts of other Arctic stakeholders, e.g. Mexico and Brazil, to obtain the observer status, however, he asserts that, "How broad the table of the Arctic Council", depends how the observer members contribute to scientific cooperation and acquisition of Arctic knowledge. The engagement of Non-Arctic states in the Arctic affairs might be driven by economic interests or political pursuits, but what matters most should be concrete and constructive scientific contributions.

Mr. CHEN Laiping, the Counselor, reviews the development of bilateral and multilateral relations between China and Nordic states. He says, "China attaches great importance on the relations with Nordic states". The bilateral and sub-regional cooperation between China and Nordic states enjoys solid foundation and favorable conditions. In the Arctic affairs, China's application to the observer of the Arctic Council received great support from the Nordic states. The two parties have deepened and intensified concrete exchanges and cooperation on Arctic

affairs within the Arctic Council and other multilateral frameworks: this February, China and Denmark held for the first time a meeting on Arctic affairs, reaching broad consensus on Arctic policies and cooperation; China has sent on various occasions, its personnel to Arctic conferences initiated by Nordic states, including the first Arctic Circle (October 2013, Iceland), Circumpolar Economic Forum Task Force Meeting of Arctic Council (December 2013, Finland), Black Carbon and Methane Task Force Meeting of Arctic Council (December 2013, Sweden), Arctic Frontier (January 2014, Norway). With the trend of globalization and the development of transport, information and telecommunication technologies, the interconnection between states has been intensified. The climate changes and economic activities happening in the Arctic will bring about profound influences on China and other near Arctic states in the environment, ecological, agricultural, socio-economic terms. Only when Arctic and Non-Arctic states collaborate, bear joint responsibilities and enhance knowledge and awareness to the Arctic, the Arctic trans-regional issues can be effectively solved. He hopes that the Arctic states, Nordic states included, keep an open attitude towards the engagement of non-Arctic states in the Arctic affairs, especially in the domain of economic and commercial cooperation, promoting jointly the development of the Arctic region.

In the next one and half day, more than 20 speakers addressed around the topics of Arctic Policies and Governance, Arctic Policies and Economy and Arctic Policies and Maritime Cooperation. Among the presentations, a representative selection of opinions that aroused some heated discussion has been displayed below.

12 scholars address in the session of "Arctic policy and governance", some of them are renowned worldwide. Director for Fridtjof Nansen Institute, Mr. Leiv Lunde, in choosing a number of ranking criteria, including population, political identity, level of economic activities/investment, Arctic trading routes, supply of energy security, scientific contribution etc, predicts 13 states that may play certain roles in the Arctic affairs in Year 2030, and summarizes their respective contribution to the Arctic governance. For example, he believes that Russia will reign supreme in any Arctic scenario while China will pay price for managing Russia relations well. U.S. Arctic policy will be constrained by the confrontation between its industrial and energy interest groups and the environmentalists, while Canada will domesticate the Arctic at a price. For Nordic states, Norway will be committed to more value creation; Finland will attempt to break out of the Baltic Sea; Sweden continue to be strong on mining, maritime and sustainability issues; Denmark is an Arctic shipping power but Greenland will pose uncertainties; Iceland is a small player but its public diplomacy continues to be impressive. He finally sums up that Arctic states remain in power in the Arctic affairs and the governance should reflect real changes in economic, political and scientific resources. Asian state, China included, will play increasingly remarkable role in the future Arctic governance; at the same time, engaging China remains to be a key concern.

Prof. YANG Jian, Vice-President of Shanghai Institutes of International Studies, proposes Chinese perspectives with regard to the interaction between Arctic and non-Arctic states in the Arctic governance. He points out, the economic development in the Arctic region will foster the interaction between Arctic and non-Arctic states, and how to form a benign interactive model that balances development of resources and ecological protection is the key to the Arctic governance. The Arctic governance is challenged by lagging in mechanism and insufficiency in supply of public goods, while the engagement of Asian states contributes to improve the mechanism and realize the governance objectives. China and other extra-regional actors should take full advantages of the multi-level structure of Arctic governance to realize the legitimate rights and bear related responsibilities.

Prof. GUO Peiqing from Ocean University of China, analyses the realities and pattern of Nordic geo-politics from historic perspectives. He believes that there is never a lack of big powers in Nordic region and any coexisting big powers need good relationship with Nordic countries; but when one single power takes dominating power, Nordic countries' interests are always threatened. Political influence of U.S. in Nordic states is shrinking and retreating, while China-Nordic cooperation could fill up the vacuum of power incurred by the U.S. decline in power, and such cooperation is mutually beneficial. He suggests when developing relations with Nordic states, China should not seek special interests and dominant role in Arctic affairs, while at the same time respects Nordic states' national interests, concerns as well as value.

Assistant Professor, Mr. Rasmus Bertelsen from Aalborg University, Denmark, as coordinator to the international project of “The Arctic Nexus in Asian-Nordic Relations”, gives an introduction its background and planning. The background of the project deals with the question of how Nordic small states face the impacts of globalization on the Arctic, especially with the trend of globalization, economic and political powers shift away from the traditional allies, alliances and partnerships of Nordic states, to the emerging economies in Asia. The project aims to by the end of Year 2015, initiate academic workshops in Aalborg Denmark, Rovaniemi Finland, Oslo Norway, and establish a region-to-region dialogue and discourse system that engage as many stakeholders as possible.

Research fellow, Mr. Njord Wegge from Fridtjof Nansen Institute analyses China’s Arctic diplomacy from the angle of bilateral Arctic relations between China and major Arctic states (Arctic 5 + Iceland). 1. China-Canada relations: China keeps an eye on the navigation conditions of the North-west Passage but has not taken stance to its controversial legal status. China is the second largest trade partner, and the potential for cooperation in energy/ minerals is promising. Canada welcomes China’s investments but shows little political support to its Arctic inspirations. 2. China-Russia relations: the spill-over effects of Ukrainian crisis might push intensified China-Russia cooperation in the domain of the Arctic shipping and energy, but the obstacle is that Russia has always been skeptical to involve non-Arctic states such as China into Arctic affairs. 3. China-U.S. relations: Arctic remains a marginal issue in the overall complex Sino-US relations, but both states share joint interests in freedom of navigation and the role of global commons. 4. China-Denmark relations: China-Danish relations reach its peak recent years with frequent mutual visits of head of states. Greenland might become a potential Arctic showcase of China’s ‘resource diplomacy, but uncertainty always exists over Greenland’s long-term employment and environmental policy. 5. China-Norway relations, which demonstrates an example of China being willing to play “hard ball” in its diplomacy. He concludes that despite China’s successfully obtaining the Arctic Council observer status, it however emphasis on its bilateral relations with Arctic states. The Nordic states and particularly Iceland appears to be the most favorable partners. China has advantages in market, capitals and labor force for Arctic development, but has a major image problem and easily generate local opposition to its engagement.

Research Fellow, Mr. DENG Beixi from Polar Research Institute of China, delivered a presentation entitled “Reconstruction of Arctic Identity from the perspective of critical geopolitics”. He believes that with the climate change and globalization, the periphery of the Arctic geopolitics has exceeded the geographical boundaries of the Arctic, which creates opportunities and favorable conditions for engagement of extra-regional actors in the Arctic affairs. However given the exclusive measures taken by Arctic states, extra-regional actors require the reconstruction of their Arctic identity and create a discourse system to legitimize their Arctic presence. The proposition of “Near-Arctic State” by China is such an example that is geographically located in Northern Hemisphere, geopolitically related to the Arctic affairs and geo-economically interested in the Arctic shipping routes and resources. Iceland is another any example. Being marginalized by the Arctic 5, Iceland seeks to re-establish its political status as the “Arctic coastal State” through implementing public diplomacy, promoting sub-regionalization and developing industries and economies related to the ocean.

Other scholars in the session addressed the topic on “Framing the National Interest: The Use of the Arctic in Iceland’s Foreign and Domestic Policies”, “The relevance of closer international cooperation in the social sciences with regards to the Arctic and the outside world”, “Science and International Governance: Polar Scientific Organizations and Agenda-setting in Arctic”, “Building Regional Governance Capacity in the Arctic: Asian impact on the Development of the Arctic Council into a Strong Regional Decision-Making Organization”, etc.

In the session of “Arctic policy and economy”, 9 presentations deal with the topics on the Arctic shipping, Arctic globalized economy and resilience of indigenous community, assessment of Arctic economic risks and Arctic energy development. Head of Division of Polar Strategic Studies from Polar Research Institute of China, Prof Zhang Xia talks about the changes on Northern Sea Route in the new Russian laws from mandatory icebreaker guiding to permit regime. He believes the new laws, on one hand, have clearly redefined the scope of NSR and removed the disputes of NSR boundary extending to the high sea, and on the other hand, the new laws have provisions on

concrete, practical and predictable conditions for independent navigation. These changes demonstrate Russia's intention to open the NSR to international community. For China, especially with the strategic proposition of "One Belt One Road", Chinese shipping companies should take full advantage of the existing port infrastructures and policies to explore the Northern Sea Route and spaces for marine economy growth.

Professor SHOU Jianmin from Shanghai Maritime University analyses the potential of container transportation through Northern sea route on the basis of shipping costs. Based on the cost analysis of container transportation by assuming the Bergen Harbor in Norway as a hub-spoke harbor through the NSR, he proposed that the construction of a new hub-spoke harbor in Europe is in favor of increasing the competitiveness of the Arctic passage. He further concluded that under the present navigation environment, the navigation time through the Arctic passage is not saved much compared with the passage through Suez Canal, but the single voyage cost is saved by 10%, fuel consumption saved much more about 35%.

Other scholars in the session addressed the topic on "A Systematic Analysis of Iceland's Viability as a New Arctic Marine Transport Hub", "The New Global Arctic Economy and Local Resilience to Rapid Change", "Arctic Gas Exploration and World Gas Trade", "Economics and Institutions in China's Arctic Policies", "Economic Risks of Arctic exploitation and its effect to Chinese Arctic Strategy" and "Mining the Arctic – Asian interests and opportunities".

In the session of Arctic Policies and Maritime Cooperation, presentations were less but give still thought-provoking insights into the Arctic fishery management system, the future growth of Arctic fisheries, the role of fish-market for the Icelandic value chain, as well as state's rights to defend the Arctic Ocean.

In the closing session, Ms. Eyglo Harthadottir, Minister for Nordic Cooperation and representative of Nordic Council of Ministers, addressed the cloture of the symposium on June 4<sup>th</sup>. She first introduces the Nordic Council of Ministers, established in Year 1971 with annual budget of 130 million euro. Nordic states are small, but as a whole entity, the population reaches 26 million, and the economy size ranks 10<sup>th</sup> in the world. It is reputed as the "Next Supermodel" in the world arena by "Economist" for its green economy and sustainable social welfare system. Nordic regional cooperation aims to foster the competence and competitiveness of Nordic region, and the Arctic issue is listed as priority. The Arctic is becoming a region of challenge, opportunity and pressure; climate change, opening-up of sea routes, demands for energy and increasingly sophisticated technology make the development and potential utilization of Arctic energy attract the world attention. Nordic states assert that activities in the Arctic should respect the nature and ecological environment and ensure least negative impacts on the Arctic indigenous community. She then lists 4 pressing issues that the Nordic Council is facing, aging problem, fight against pollution, green economy and international cooperation.



## CNARC Fellowship Reports



*Professor Valur Ingimundarson from Department of Contemporary History, University of Iceland, was granted the fellowship to conduct a one-month academic visit at research institutes on Arctic research in China from November to December 2014. The fellowship report of Prof. Ingimundarson and his description of his activities are listed as below.*

### Introduction

What follows is a report of my research activities during my month-long stay in Shanghai (November 14–December 14, 2014) as a Visiting Professor at the China–Nordic Arctic Research Center (CNARC). I worked on Arctic governance, geopolitics, and security at the Shanghai Institutes for International Studies (SIIS) and the Polar Research Institute of China (PRIC). During the fellowship period, I finished a scholarly article on Icelandic Arctic policies from historical and contemporary perspectives, which will be submitted for publication in a prestigious academic journal. Moreover, I gave three academic talks at SIIS and PRIC in addition to taking part in other academic activities and having meetings with Chinese scholars. I also gave a lecture at Tongji University and met with academics and students. Finally, I went to Beijing, where I had the opportunity to interview officials from the Chinese Arctic and Antarctic Ocean Administration (CAA) within the State Ocean Administration (SOA).

### Research and Lecture Activities

I. At SIIS, I first took part in a day-long symposium—entitled “High Level China–Canada Arctic Forum”—on November 15, 2014. Apart from contributing to the discussion, I gave a talk on “Iceland and Arctic Governance.” In it, I focused on identity politics—and perceptions of Iceland’s role in the Arctic—and put it into the context of Iceland’s core Arctic policies with respect to the UN Law of the Sea Convention (UNCLOS); the Arctic Council; the respective roles of the Arctic Eight and the Arctic Five; the involvement of non-regional Arctic states, such as China and the EU; and Iceland’s self-promotion as an Arctic “coastal state.” The symposium gave me valuable insight into the state of the Sino-Canadian relationship with respect to the Arctic in terms of intergovernmental relations and of scientific and academic cooperation between the two countries. The scholarly contributions of Chinese and Canadian scholars on various Arctic issues were also very informative.

(1) At SIIS, I had meetings with experts in the field of Chinese foreign and Arctic policies. Below I will briefly outline the topics of discussion:

(a) *Yang Jian* (Vice President of the SIIS) discussed key elements in China’s foreign policy and the geopolitical,

economic, and social challenges faced by a Great Power with global interests. He also elaborated also on China's Arctic policies and the Sino-Icelandic relationship.

(b) *Fang Xiao* (Deputy Director, Department of General Affairs discussed developments in Sino-European/EU relation), explained China's relations with Europe and the diversification of its geopolitical interests. She also talked about the respective roles of Poland, the Czech Republic, and the rationale behind Free Trade Agreements between China and European countries like Iceland and Switzerland.

(c) *Cheng Baozhi* (Researcher at the Institute for Global Governance Studies, Center for Maritime and Polar Region Studies) talked about Sino-Russian relations; China's relationship with Canada; and the Ukrainian crisis and its impact on Western-Russian relations. He also expanded on the lessons, which could be drawn from the "Nordic model" and the EU as a consensus-oriented project.

(d) *Zhang Yao* (Director, Center for Maritime and Polar Region Studies) discussed China-Russian relations after Ukrainian crisis; the role of Iceland and the other Nordic states in the Arctic, and Chinese interests in the region; we also discussed security issues in the Arctic and the upcoming U.S. chairmanship of the Arctic Council.

(e) *Feng Shuai* (Assistant Director, Institute for International Strategic Studies) gave an assessment of the Northern Sea Route (NSR), its viability and economic importance, and Russian policies. We also touched upon the problem of infrastructure along the NSR.

(f) *Zhang Pei* (Deputy Director, Center for Maritime and Polar Region Studies) discussed China's Arctic policies and cultural and social attitudes toward China in the Arctic states and the role of the media. We also discussed the role of small Arctic states and their influence on Arctic governance.

(g) *Zhou Shixin* (Research Fellow, Institute for Foreign Policy Studies, Center for Asia-Pacific Studies) gave an overview of China's policies in South East Asia and the ASEAN countries and its political and economic role in the region; there was also a discussion sovereignty issues and territorial disputes and attitudes of the main disputants toward international arbitration.

(h) *Shao Yuqun* (Director for the Center of American Studies) discussed China's relationship with the United States as a core strategic relationship. She also described Chinese perceptions of the United States; the role of political and social media; and the structure of decision-making in China.

(2) I was invited to a give a lecture—on November 26—at the SIIS, which was entitled "Geopolitical Uncertainties and Domestic Insecurities: Icelandic Foreign and Security Policies in the 21st Century." In the talk, I explored, Iceland's strategic position and foreign and security policies. Approaching the topic from an historical perspective, I put it within the context of Iceland's place in Western political and military structures, geopolitics and governance; Russian geopolitics; Nordic security and defense cooperation both with respect to hard and soft security aspects; and the Sino-Icelandic relationship. I also examined the inter-linkages and interactions between these factors.

Following my talk, there was an open discussion on the topic with participation of SIIS researchers who attended it. It centered on the general orientation of Icelandic foreign policy; the role of NATO in the Arctic; the Icelandic-EU relationship; the level of self-sufficiency Iceland enjoys when it comes to sustainable energy sources, such geothermal energy and hydro electric power—and the question of whether Iceland is poised to become an energy exporter.

(3) On December 5, I took part in a symposium on Sino-EU relations—co-sponsored by the Friedrich Ebert Stiftung and the Shanghai Institutes for International Studies—at SIIS. It was entitled "China's West meets Europe's East – Going beyond established Sino-European Cooperation." The participants were European officials and European and Chinese scholars. The purpose was to map out the further possibilities of cooperation between the EU and China on the basis of the bilateral Strategic Partnership and the Strategic Agenda for Cooperation. I chaired a Public Panel Discussion under the heading "The Transition of Geopolitics and Its Implications for China and Europe," with the participation of European and Chinese scholars and the German Consul General in Shanghai. This was a lively debate, not only about Sino-European relations but also about the regional roles of Central Asia and Eastern and Central Europe; the superpower status of the United States; Russia's place in the international

order; Sino-Russian relations; the question of whether shift towards geopolitics is a throwback to the Cold War; the situation in the Ukraine; post-Cold War liberal ideologies; the Iranian nuclear question; and Sino-North Korean relations.

**II.** During my stay at the Polar Research Institute of China (PRIC), I worked on my research project on Arctic governance and Icelandic Arctic policies and the relationship with China.

(a) I had informative meetings with Director General, *Yang Huigen*, where we discussed Arctic affairs, Chinese-Icelandic Arctic relations, and Icelandic Arctic policies. At PRIC, I was in much contact with Arctic researchers *Egill Þór Niélsson* and *Deng Beixi*, who administer CNARC as Executive Secretaries; I had productive discussions with them on Arctic affairs and other issues of mutual interest. I would also like to mention *Tu Jingfang*, a Research Assistant in the Strategic Studies Division with whom I shared an office during my stay at PRIC.

(b) During my stay at PRIC, I was asked to give advice on the publication of the first CNARC book, which is scheduled to come out next year. I put forward some ideas to advance the project; I suggested possible authors, discussed topics of individual chapters, and recommended specific editorial policies and guidelines. I also expressed my willingness to write a chapter in the book.

(c) At PRIC, I finished writing and an academic article on the evolution of Iceland's Arctic policies. I also worked on an article on post-Kiruna Arctic governance issues and the potential geopolitical spill-over effects of the Ukrainian crisis on Arctic cooperation—an article that I will submit for publication in a respected journal.

(d) On December 12, I gave a talk at PRIC entitled "A Return to Geopolitics? Iceland's Place in the Arctic," which was attended by researchers at PRIC and members of the Arctic network made up several Shanghai-based research institutes. The event was chaired by Zhang Xia, the Head of the Strategic Division at PRIC, who also took an active part in the discussion after my presentation. In it, I discussed how Iceland has used the Arctic to promote diverse agendas. Apart from seeing the region as a source of prestige associated with a membership in an elite Arctic club, the Arctic Council, Icelandic elites have adapted the "idea of the Arctic" to different political and economic interests. I showed that the Arctic's future potential has been used to redraw attention to Iceland's geostrategic location after the U.S. military withdrawal; that it has been promoted as a way—in the wake of the financial crisis and the collapse of the Icelandic banking system—to offer forward-looking economic visions; and that it has been employed both to reinforce traditional Iceland's Western foreign policy orientation and to explore new non-Western possibilities, such as increased ties with China. I argued that the resumption of East-West tensions over the Ukrainian crisis might—if it revives geopolitical competition reminiscent of the Cold War—have spill-over effects in the Arctic. After the talk, there was a fruitful exchange of views with those who attended the event. Among the issues discussed were Icelandic security policies; the relationship with the United States and NATO; Iceland's role in Nordic cooperation; China's Arctic interests; Iceland's foreign policy identities; and legal questions regarding Arctic maritime routes.

**III.** I visited Tongji University, where I gave a lecture entitled "Forging National Narratives: Arctic Identity Politics in the Past and Present" on December 9. I also met with scholars, such as Professor *Xia Liping* and Assistant Professor *Ping Su*, to discuss Arctic issues, including Chinese-Icelandic relations and a planned conference on fisheries in the Arctic Ocean at Tongji University. My lecture was about historical narratives and myths used by the Arctic states to buttress their contemporary Arctic strategies and policies; it also dealt with how imperial, colonial, and Cold War legacies can be found in present-day discourses on the Arctic. Apart from professors, the event was attended by students doing research projects on the Arctic, Chinese-Icelandic relations, and international relations and politics. Before the talk and afterwards, I elaborated on Icelandic Arctic policies, with special emphasis on China. There was also a discussion of how lower oil prices would affect interest in Arctic natural resource exploitation. At Tongji, I also discussed scholarly cooperation projects in areas such as Icelandic-Chinese relations and maritime security.

**IV.** On December 11, I—together with PRIC researcher Egill Þór Níelsson—had a meeting in Beijing with four Chinese Arctic and Antarctic Ocean Administration officials: *Qin Weijia*, Deputy Director of CAA, *Chen Danhong*, Head, Division of International Cooperation, *Xu Shijie*, Head, Division of Policy and Planning, and Long Wei, Deputy Head, Division of International Cooperation. Among the topics elaborated on were the following: China's interest in the Arctic; the role of climate change and its effects on China; scientific Arctic research activities; China's scientific contribution to the Arctic Council; this included the problem of exclusionary pressures faced by Arctic Council observer states within the AC's working groups; Chinese-Icelandic relations, including political and scientific cooperation; the use of the North Sea Route and opportunities and challenges associated with it, such as ice-melting, infrastructure problems, and economic viability; China's relations with other Arctic states, such as Canada, the United States, Norway, Denmark, and Finland; territorial and legal issues with respect to Arctic governance; the role of the Economic Council approved by the Arctic states under Canada's AC chairmanship.

### **Conclusion**

During my stay in China as a CNARC Visiting Professor, I gained important insights into Chinese policies and research activities on the Arctic, established academic relationships with Chinese scholars—which I hope will translate into future academic projects and institutional links with the University of Iceland and the EDDA – Center of Excellence (which I chair)—and introduced my own academic work to Chinese scholars by giving lectures and taking part in symposia. Finally, as noted, I managed to complete an academic article during my stay at SIIS and PRIC. I am especially indebted to Vice President Yang Jian (SIIS) and Director General, Yang Huigen (PRIC)—as well as the following researchers: Song Quing (SIIS), Deng Beixi (PRIC), Egill Þór Níelsson (PRIC), Dr. Chen Xu (PRIC), Dr. Zhang Pei (SIIS), and Assistant Professor Ping Su (Tongji University)—for their part in making my stay so fruitful. It is my belief that such personal and organizational ties will further China–Nordic academic cooperation, which is one of CNARC's central aims, and strengthen transnational scholarly research on the Arctic.

*As a researcher at the Arctic Centre, Lapland University, member institute under the collaborative framework of China-Nordic Arctic Research Center (CNARC) in Finland, Dr. Md. Waliul Hasanat succeeded in applying for a one-month fellowship at the School of Law and Political Science (SLPS) at Ocean University of China in November 2014, with an aim to enhancing his practical knowledge on Chinese views on the topic 'China as an Observer State in the Arctic Council: Advantages and Future Challenges.' The excerpt below in the CNARC fellowship report of Dr. Hasanat describes his academic activities and basic research findings during his visit in China:*

### **Academic Activities**

Academic activities conducted during the CNARC fellowship trip could be described in two main sections – meeting academia and delivering lectures.

#### **Meeting Academia**

I had several meetings with Guo Peiqing (professor of international relations, also executive director of the SLPS) whom I contacted first on the occasion of my CNARC trip to China. His scholarly interests include international cooperation, Arctic political scenario and analytical thought mainly in the rapid changing global context made our meetings more enjoyable and fruitful. As an expert in polar politics and Chinese diplomacy, his practical knowledge on ongoing bilateral relationship between China and different Arctic states connected individual issues concerning the Arctic Ocean and China's participation in Arctic cooperation kept me fascinated since the beginning to the end of our discussions, as well as how as to Chinese policies would fit in to the rest of the globe and vice versa. In fact, we developed academic friendship within a short period of time and exchanged a lot of views and learnt enormously from each other.

I met a few times SUN Kai (associate professor of international relations) and exchanged many emails with him in different times. As a rising expert on Arctic governance and international environmental politics, most of his insights and interests dedicated to the nature of Arctic cooperation and Chinese involvement in the cooperation, along with challenges and prospects of China in a changing Arctic. Sometimes the discussion included comparing educational system and methods of different countries although the main focus was concentrated to that of China and Finland. As an easygoing person he became very open with his own opinions and tried to explain his ideas and ask relevant question frequently which added extra charm during our discussions.

Two times I met LIU Huirong (professor of international law, also the vice Dean of the SLPS) whose main academic interests contain conceptual developments in international law, Arctic governance, environmental protection and conservation of natural resources accessible to international community, along with economic law and legal science.

I had a long discussion, in addition to a short introductory meeting, with MA Yingjie (professor of environmental law) focusing on maritime pollution, protection of marine biodiversity, monitoring and environmental impact assessment in territorial sea water and coastal area. We ended up with agreeing to establish future scientific cooperation and exchange ideas for both of our scholarly improvement.

I met once Bai Jiayu (associate professor of international law) and exchanged couple of emails with her. The discussion mainly concentrated to the development of the concept of soft law in international law, emerging soft-law forms of international cooperation in the Arctic in order to address the newfangled problems faced by the vulnerable communities and the governments in the Arctic.

As earlier I have pointed out about an opportunity of visiting Shanghai Jian Tong University where I had an exclusive meeting with Fu Kuncheng (professor of international law, and director of the Polar and Deep Ocean Development Center at Shanghai Jiao Tong University (SJTU-PADOD)). Prof. FU shared me his expert skills gathered from attending different international seminars and meetings related to the Arctic Council, in lunch party offered by him.

#### **Delivering Lectures**

I delivered five lectures in total during the entire trip: three in the SLPS and two at the School of Law at SJTU.

The first lecture I delivered to graduate students of SLPS coordinated by Dong Limin on 10 November 2014 in the meeting room of the school's library. The topic chosen for the informal lecture was 'Arctic governance' where

students participated from both doctoral and master levels. Having background in the fields of law or international relation, the students asked many questions regarding the ongoing developments in Arctic governance and how China will become successful in achieving its interests in the Arctic. We had lively discussion lasted for an hour and a half.

The second lecture organized by Prof. SUN Kai with his graduate students on 12 November 2014 and the duration was fifty minutes. The governance structure of the Arctic Council was the main focus; while, conceptual development of soft law in international law in an Arctic context was also discussed.

The third lecture organized by Prof. GUO on 13 November at 14:00 in the meeting hall of the SLPS where the participants were faculty members, doctoral and master level students along with degree students. The title of the lecture determined as 'Soft-law Forms of Governance in the Arctic: Interplay with International Law'. In fact, the duration of the lecture, according to its initial plan, was two hours although it took half an hour more since the attendees took part very actively in the discussions and asked many questions both on conceptual development in international law, also ongoing political cooperation in the Arctic. The role of China towards the Arctic also came in the discussions mainly concerning the future activities in the Arctic Ocean when it opens up due to climate change.

The next lecture took place in the School of Law at the SJTU on 19 November 2014, starting from 10:00 continued until 12:00 where Prof. FU chaired the session. Number of faculty members, researchers and law students participated in the lecture on 'Soft-Law Cooperation in International Law: Conceptual Development in Arctic context'. The concept of soft law attracted many of the participants; while, a few audiences asked questions also directed to Chinese interests, rights and obligation in the Arctic region.

The fifth lecture organized in the same place on the following day (20 November 2014) where the participants were very much similar. The topic for the day chosen as 'Soft-law Forms of Governance in the Arctic: Interplay with International Law'. Structures for different international soft-law governance in the Arctic, at both national and regional levels, were explained (Arctic Council, Barents Euro-Arctic Council, Northern Forum) including the reasons of being so many soft-law bodies in the Arctic other than creating classical international organization established under international law. The talk also covered possible synergy setting among the dominant soft-law forms of cooperation in the Arctic.

### Research Findings

China is the first state outside Europe accepted as ad hoc observer in the Arctic Council, the only Arctic-wide state-level forum for international cooperation established in 1996. Subsequently, the ad hoc observer position of China transformed into full observer status in 2013. As a global rising power, full observer position of China within the Arctic Council has attracted scholarly attention - its capacity and willingness to serve the main objectives of the Council or exploring the actual reasons behind Chinese involvement to the forum. The general objective of the study was to examine the policies and laws China has outlined towards its Arctic action; while, special attention was given to how China has been developing policies supporting the aims and objectives of the Council. The goal of the CNARC fellowship trip determined as to become familiar with the views of Chinese scholars on the prospect of China as an observer of the Arctic Council, also their predictions on future challenges for China in enhancing its involvement within the Council.

Shipping in the Arctic Ocean is important for China - some scholars find the consequences of climate change in the Arctic as more opportunity for China other than challenge. China may find her interests in the Arctic in the arenas of energy, shipping, fishing etc. Chinese mining companies are already in the Arctic and have developed bilateral agreements with Arctic states and large numbers of ships owned by Chinese company are operational in the Arctic Ocean.

Thus, the Arctic is an important place for China. However, most of the scholars those I met during the trip, also knowledgeable about the Arctic Council, argued that there was little possibility of bringing Arctic Council issue at national priority level China since there are lot of more important issues for the Chinese government to be dealt with.

In fact, China has developed its economic condition and social standard at a satisfactory level. However, people in many states including public servants do not know the real situation of China and possess negative notion

that is far from the reality. Accompanying with more internationally interactions by China may bring forward its present capability and developments in Chinese society to others. Thus, getting observer position in the Arctic Council is a political gain for China particularly in a forum of world's leading states mainly from North America (Canada and the USA) and Europe, along with Russia. The recent reformation carried out with respect to foreign relationship in China has unfolded its long-lasting social lack of contact towards other states. In fact, maintain a huge number of populations for any country is a big challenge that China has been managing successfully, and its growing developments show its capacity to be involved in global politics as an independent power. China has been focusing more to the Antarctica other than to the Arctic while considering polar research. She is new to Arctic research in the fields of social science although young scholars seem to be interested in conducting social science research on Arctic issues mainly related to the Arctic Ocean or business relationship with Arctic states.

The scholarly views encompass that China is serious about its commitments made by Chinese government to international communities from time to time primarily concerning rules and principles of international law. One scholar expressed his dissatisfaction towards negative articulation of Chinese situation by representatives of some states in international forums in particular in absence of Chinese delegation in those forums; while, they would have not roared in such negatively in presence of Chinese representative. Thus, it is important for China to involve as many as international forums in order to get rid of such type of unexpected blaming from other states.

A good number of scholars evaluate the participation of China in the Arctic Council as positive, also cooperation with the Council's member states and other associated entities to protect Arctic environment and ensuring sustainable development in the Arctic – the main objectives of the Arctic Council. The Chinese involvement with the activities of the Arctic Council may uphold the countries reputation; expand friendly relationship with other states, and China may achieve economic benefit by expanding its business to Arctic states. However, few scholars are critical on the role of specific states that those states do not seem active in the activities of the Arctic council rather expect active contribution from China; some scholars hesitates to find Chinese contribution to the development of Arctic sustainability - why should China will contribute to the people in the Arctic or Council's permanent participants - indigenous peoples in the region, has been set forth as a criterion by the Arctic Council for its observers. According to them, support to Arctic indigenous peoples should be made by their own states. Some scholars find the criteria as ineffective since those do not seem strong enough to bind China in the future to limit Chinese rights in the Arctic Ocean against already established norms, rules, principles in international law.

### Challenges and Limitations

Lack of opportunity of meeting Chinese officials during the trip could be seen as a shortcoming since they have practical knowledge on current and future plan and attitude of the government concerning Arctic cooperation. In fact, it was somewhat impossible to set communication with any government official within a short period of time, which ties to lot of bureaucracy as well.





*Dr. SU Ping, lecturer and research fellow at Center of Polar and Ocean Studies of Tongji University was granted the opportunity to conduct a one-month term fellowship at Fridtjof Nansen Institute in Oslo, Norway from October to November, 2014. During her stay in the Nordic region, she has attended four international conferences, visited eleven institutes and universities, collected rich reading materials, finished two paper reports, established possible network and research projects and concluded some policy suggestion. An excerpt below is part of her research report, titled "Uncertainties in the Arctic Exploitation and their Impacts on China's Arctic policy", finished in Norway based on her researching findings and academic activities conducted in the Nordic research community. Please note that the paragraphs below are exclusively limited to internal circulations.*

### **CNARC Fellowship Research Report**

#### **Uncertainties in the Arctic Exploitation and their Impacts on China's Arctic Policy**

With the oil prices being down below \$50 a barrel, the ships sailing through the Northern Sea Route (NSR) decreasing to 53 and the political uncertainties over Ukraine crisis, Arctic, portrayed as one of the biggest unexplored energy region in the world and the shortest new sea route from East Asia to Northern Europe, is exposed to many uncertainties in addition to environmental opposition and harsh weather condition.

The most frequently quoted figures are from U.S. Geological Survey Circum-Arctic Resource Appraisal (2008); they estimate that there are about 90 billion barrels of oil, 1,699 trillion cubic feet of natural gas (approximately 30% of the world's undiscovered conventional gas) and 44 billion barrels of natural gas liquids that might remain undiscovered in the Arctic. In addition, it is also commonly acknowledged that the new sea route is estimated to be 40 percent shorter than the Suez Canal route and thus, a trip from Shanghai to Rotterdam is estimated to be about seven days and 2,750 miles shorter.

But the costs and risks of Arctic exploration are ignored by most papers and articles generally, as a result the figures of USGS and new sea routes are very popular to serve the evidence of potential Arctic conflict and major power's ambition in this area. This paper is going to analyze the long ignored situation of Arctic exploitation and the countermeasures of China's Arctic policy.

## 1. The main uncertainties of Arctic exploitation

The main uncertainties of Arctic exploitation pose challenges and risks for natural resource, oil and gas exploitation and shipping. Some could be compromised by high level of technique and operation standards such as tackling possible oil spills but some are going to face severe tests in recent decades, such as world market impact.

Firstly, the world energy market hits the oil and gas business exploitation in high north as the continued decline in oil prices has made the oil companies engaged in the Arctic no profit. The Arctic oil would be profitable at US \$100 per barrel but the global oil prices have been falling from peak (US \$150 in 2008, US\$120 in 2012, US \$100 in September 2014) to US \$48 in 2015. On the contrary, the Middle East and African oil would be more cheap and easy and the shale gas market at US \$41.4 billion is expected to grow to US \$104 billion by 2020. Therefore the drilling in cold, harsh and expensive Arctic energy fields is considered less lucrative, at least before the oil prices is back on original track.

Secondly, shipping in the Arctic faces the challenge of poor infrastructure, difficult search and rescue, high insurance fee, short sailing period and harsh weather conditions compared to other sea routes. The news from the Northern Sea Route(NSR)for 2014 is not very encouraging, after a positive trend in the number of ships sailing through the NSR(2 vessels in 2007; 3 vessels in 2008; 5 vessels in 2009; 10 vessels in 2010; 34 vessels in 2011; 46 vessels in 2012 and 71 vessels in 2013), the transits have reduced significantly in 2014. According to the Russian NSR Information Office, only 53 vessels transited along the NSR. In which 31 vessels made the entire length of NSR and 22 vessels either departure from or arrived at ports inside the NSR.

According to the analysis of Polar Risks Group, the reasons to this decrease are as following. Firstly, two NSR choke points experienced too much sea ice. Secondly, many ship-owners were discouraged after the 2013 NSR season due to the fact that 2013 sea ice minimum extent didn't beat 2012's all-time record. Thirdly, Novatek stopped shipping gas condensate to Asia from the Vitino oil terminal. Fourthly, Kovdor Mining didn't agree on shipping prices — contributing to more than 20% of decrease in cargo from 2013. Geopolitical risk with the Ukraine and Russian sanctions also played a role, but a minor one. Some ship-owners feared that Russia would stop offering support or dramatically raise NSR tariffs — that did not happen.

Thirdly, the cost of Arctic developments like infrastructures, equipment, insurance and labor forces are more expensive than other areas. The poor infrastructures and equipment in the Arctic exploitation are in great need to be established and modernized such as transportation corridors, roads, rails, airports, ports, communication infrastructures, pipelines and icebreakers.

But every aspect of development in Arctic is not easy: the cost of distance from consumption centers increases transportation times and costs; distance from manufacturing centers requires that companies maintain equipment redundancies and a large inventory of spare parts; harsh weather requires specially designed equipment that can withstand the frigid temperatures; and higher wages are needed to bring on and keep personnel in the remote areas. Additionally, poor soil conditions can require additional site preparations for onshore facilities to prevent equipment from sinking; softening tundra from thawing permafrost can limit exploration during warm months; offshore production facilities can be damaged by ice flows and severe storms; and unpredictable weather can hinder shipments of equipment and personnel.

Fourthly, the environmental impact of commercial activity on climate change; biodiversity and local communities are very sensitive especially for indigenous groups and environmental organizations. Greenpeace, one of the most active environmental organization that attempts to board oilrigs every summer, and they will very likely make new attempts in 2015. As a result, on one hand, the rig owner and operator have to be very cautious and the strong opposition of environmental organization and indigenous people will just add to the problems related to the standard of operation, technology and the cost of Arctic exploitation.

Fifthly, Arctic is an area deeply affected by major power relations such as the U.S., European Union and Russia relations. Ukraine crisis deteriorate Russia and NATO, European Union and U.S. relations. The military buildup in Arctic adds to potential conflict. The withdrawal of Western energy and shipping companies from Russia influenced the financing, facilities and new exploration of projects. The sanctions have negative impact on the search and rescue cooperation in the Arctic, there is a possibility that Russia will respond to the sanctions by not providing support and safety services which add the risks of vessels sailing through the Northern Sea Route.

We witness a slowdown of Arctic interest and investment in the beginning of 2015 due to all risks and uncertainties. Some scholars are asking whether commercial interest in the Arctic is a bubble about to burst.

## 2. The countermeasures of China's Arctic policy on uncertainties of Arctic Development

From CNKI and NFSSC database statistics, China's Arctic decision makers and scholars do not have comprehensive assessment on Arctic risks and are concerned about being left out of either raw material development in the region or the use of Arctic trade routes. But from my interviews with Chinese scholars and government officials, there is some recognition on the new trend in the Arctic.

Firstly, prudent assessment on Arctic exploitation is important although government official and scholars are very optimistic on Arctic exploitation. The Projects Guidance of National Funding of Social Science of China 2014 and 2015 reveal that Chinese government and academics gradually turn to the challenges as the guidance for two years suggest the research on the theory and practice on China's involvement in Polar exploitation. My interviews on Chinese government officials also show their rational attitude on commercial shipping. Although China has successfully tried the test shipping but they insist the commercial shipping is different from one or two test as commercial shipping has higher standard on data collection and knowledge such as ice melting extent and weather forecast. In addition, Chinese companies are prudent on investment especially on gas and oil exploitation and shipping. Rich resources reserve doesn't necessarily mean successful exploitation and business value.

Secondly, further involvement of Arctic governance is an important step. China is trying to understand regimes, regulations and standards related with Arctic and follow these norms. Shanghai Institute for International Studies (SIIS), one of the most important research institutions on China's Arctic policy, published two books on Arctic governance at the end of 2014. And National Social Science Funding of China funded two research projects on Arctic governance at the same year. This topic never got funding from 2008 to 2013.

Thirdly, China will have more Cooperation with Arctic states. With respect to bilateral relations, China has made substantial progresses with both Iceland and Denmark. A Chinese-Icelandic free trade agreement was signed in 2013 and an Aurora observatory was established in Akureyri. China also keeps a good relation with Danish leaders.

Russia and China both see the Arctic as a resource-rich region. Especially Russia wants to strengthen its economy with Arctic rich resources. Low oil price is striking from Russia's economic standpoint and a lot of that development will be delayed and might be stopped completely. At the background of EU sanctions and low oil prices, China has some energy resources cooperation with Russia. China and Russia cooperation is limited into the field of economic cooperation as two states have not expressed plans of strategic cooperation. Russia is very wary about China's involvement in Arctic affairs and it is not necessary for China to stand against EU and US for Russia. But anyway a collapsed Russia does not meet the interest of China.

## Conclusion

It is commonly believed that China's involvement on polar affairs has become more diverse in recent years. Although climate change remains at the priority of China's Arctic policy, economic concerns are also taking on a higher priority.

But the low global oil prices, decreasing vessels in NSR, high exploitation cost and environment sensitivity will cause delays in potential Arctic development. Arctic is off less economic significance to China than many Chinese expect, in short and midterm. With the increasing recognition on Arctic risks and uncertainties, China will have more prudent and comprehensive assessment on Arctic development.

In this case, China could stay engaged in possible energy development for future consideration, and develop partnerships with Arctic states not only for fossil fuel projects but also for potential alternative energy sources. As well, China could support new infrastructure projects in the Northern Sea Route area, including energy projects but also shipping hubs. Arctic resource and sea route could be one of the diversified energy, natural resources and transits for China.

For the long term cooperation in Arctic, China will relocate its existence in Arctic region and take more focus on scientific innovation, Arctic governance, sustainable development and regional cooperation.



*Dr. ZHAO Long, research fellow at Shanghai Institutes for International Studies, was granted the opportunity to conduct a one-month fellowship at Norwegian Polar Institute in Tromsø, University Center of Svalbard in Longyearbyen, and Fridtjof Nansen Institute in Oslo, Norway from 15th Nov. to 15th Dec. 2014, where had chance to meet a wide range of researchers and experts with respect to Arctic research. The research topic of Dr. Zhao's is to find **key factors of Arctic governance and its staged progression**, especially the role of scientists in that process. Based on the interviews with scholars and institutions, he has provided some research findings, with below an excerpt of his research report. Please note that the paragraphs below are exclusively limited to internal circulations.*

### **CNARC Fellowship Research Report**

#### **Key Factors of Arctic Governance and its Staged Progression**

First of all, Arctic issues have attracted wide global attention in recent years largely due to the increasing ice-melting rate. Arctic issues consist of geographical, climatic and ecological issues in the region from the perspective of natural sciences; yet in social sciences, such issues are mainly related to the evolution of Arctic governance. During the long history of human exploration of the Earth's northmost region, the nature of Arctic issues has constantly varied with the changing external environment.

Broadly speaking, Arctic governance has developed from total disorganization to gradual building of order, demonstrating the three steps from competition to disputes, and to cooperation. Such development is basically a function of the advancement of science and technologies, the changing natural environment as well as the strategic adjustments of related countries. The understanding of Arctic issues has shifted from a sensitive topic to discuss at the time of the Cold War to a new platform for multilateral cooperation today. With the growing number of diversified actors, the increasing trans-border challenges and ever more options for cooperation, the international society is taking strenuous efforts to explore various approaches of Arctic governance so as to resolve disputes, tackle challenges and foster new opportunities.

As the initial stage of Arctic governance, regional governance emphasizes the building of common values as well as positive interaction and integration of different parties within the region. Regional Arctic governance is evaluated by three criteria, namely objective commonality and deliberate construction of values, the actual interaction and potential platforms as well as external challenges and the maneuvers of related parties throughout their cooperation. With regard to the framework of governance, various institutions have been designed to promote common identity and ensure exclusive interests, with growing efforts to shape favorable environment for self-governance within the region. As a typical example, Arctic fishery governance not only manifests the importance of institution designing and environmental shaping, but also reflects a lack of institutions on collective actions and cross-regional interaction up to the present.

I have been received as visiting fellow at Norwegian Polar Institute, which directorate under the Ministry of the

Climate and Environment. The Institute's activities are focused on environmental management needs in the polar regions. In addition to collaboration on environmental protection in the Barents region, the Institute dedicates much effort to research on climate, long-range transport of pollutants and their impact on the environment, and biodiversity. Topographic mapping is also an important task. In Antarctica, the Institute is responsible for management of all Norwegian activities. This means that all Norwegian subjects planning activities in Antarctica must first contact the Norwegian Polar Institute. One of the Institute's main tasks is to act as an advisory body for management where polar environmental issues are concerned. The Norwegian authorities are determined that Svalbard should be one of the world's best-managed wilderness areas. The NPI participates in the efforts to achieve this goal. The NPI participated in formulating the Government's Management Plan for the Barents Sea, and is now involved in several of the committees that are working to follow up on the plan Environmental Status Svalbard provides the latest information about current and developing environmental conditions in the Svalbard archipelago.

The NPI does research on biodiversity, geological mapping, climate and pollutants in the High North and the Polar Regions, and contributes to national and regional research programmes that involve these topics. The Polar Institute provides important contributions to international climate research and the Institute is an active point of contact within the international scientific community. Research and monitoring in the Polar Regions yield information that is crucial for understanding global environmental changes and their consequences. Better data coverage and insight into climate and the environment will also improve Norway's ability to manage its national territories and resources.

The role of scientists is most important on the intermediate stage of Arctic governance, which can be defined as multilateral governance and characterized by three levels of actors and selective compromise. With a reference to the principle of separation of rights constituted by The Svalbard Treaty, multilateral governance underscores the significance of such principle in promoting collective actions of multiple actors; it also features selective compromise that is conducive to the construction of universal norms. As a typical example, the governance of Arctic sea routes demonstrates the driving forces of multiple actors behind multilateral mechanisms and highlights the key role of selective compromise in maintaining the willingness of multiple actors in their interaction.

The three levels of actors includes independent actors like states and Central governments, which have Independent ability of policy making, strategic planning and communication, also have exclusive decision-making capacity, more independence and responsibilities, which holds the dominant position of governance. The second level of actor includes representative actors like second level administrative units, Municipal government and Autonomies, which have partial ability of policy making, strategic planning and communication, but under the legal jurisdiction of independent actor. They have shared capacity and expressing demands through independent actor as "representative". The third level of actors is assistant actor like transnational enterprises, research institutions, NGO's, scientist groups, which has no ability of policy making, strategic planning and communication, but belongs to part of agenda setting process. But, they may cause indirect effects to decision making process and behaviors of Independent and Representative actors.

As the advanced stage of Arctic governance, symbiotic governance, which is composed of symbiotic units and symbiotic patterns, remains largely in conceptual discussion and theoretical hypotheses. Symbiotic units have been fostered upon symbiotic actors, challenges and responsibilities. Following the path of symbiotic governance, a symbiotic pattern may be developed that features oriented intervention and complementary competition, and the ultimate goal of symbiotic development and co-evolution can be achieved. For now, symbiotic Arctic governance is only an idealistic tendency and can be seen occasionally in such public issues as environmental protection and climate governance; more empirical evidence is yet to be found to enrich related theories.

In general, the three approaches of Arctic governance have demonstrated a staged progression. Due to its institutional deficiencies and inertia, the traditional approach of regional Arctic governance cannot meet the demands of the Arctic today that has transformed from a strategically low-tension region to one with global impacts in many non-traditional issues. With the growing internalization of core ideas by related actors and with the changes of physical variables in the region, Arctic governance is developing from regional to multilateral approaches, showing a tendency toward an even higher stage of symbiotic governance. Thus, the changing

relationships among different units, together with the necessary conditions that drive those relationships, are key to observing the mechanism of staged progression.

Nevertheless, such staged progression in Arctic governance does not always appear as linear advancement, but it may fluctuate or even retrogress depending on the level of internalization of core ideas, norms of behaviors of various actors and the changing physical environment. In other words, the future of Arctic issues and governance approaches may unfold different pictures; whether symbiotic governance or regional governance will dominate is mainly a function of those variables that influence the staged progression. How different countries enhance their own ideas and promote the internalization of core ideas of other actors, as well as how they help shape a more favorable physical environments, are key to the successful staged progression in Arctic governance.

During my talks with Arctic scientists in Longyearbyen, I do feel some lack of information between Chinese scientists and international arctic research circle, in both natural and social sciences. For example, The Svalbard Science Forum (SSF) promotes coordination of and collaborative efforts in research activities in Svalbard, is administered by the Research Council of Norway. The objective is to contribute to the development of Svalbard as a platform for international research cooperation in the Arctic. The SSF organizes workshops and administers funding opportunities targeted towards the polar research community, while continuously working to increase data sharing and reduce the environmental impact of research activities.

SSFs also manages the RiS Portal (Research in Svalbard) which contains information relating to more than 2500 Svalbard-based research, monitoring and educational projects. To facilitate research planning, our website provides an overview of research infrastructure, logistic support, research bases, and advice for permit applications for research in Svalbard. As strategic objectives, SSF promotes improved international and inter-disciplinary research cooperation; Increased coordination of research activities; More and open sharing of data; Reduced environmental impact through coordination of logistics and activity, use of new technologies and efficient use of existing infrastructure.

Unfortunately, although the significant importance of this research platform, there was very limited participation from China and Chinese scientists. SSF provides two research projects: Arctic Field Grant (AFG) – Fieldwork support for students and researchers collecting data in Svalbard (and Jan Mayen) and Svalbard Strategic Grant (SSG) – Funding for workshops and projects to increase cooperation, coordination and sharing of data, and to reduce the environmental impact of research activity through the use of new technology existing research infrastructure. This Svalbard Strategic Grant allocates seed money for workshops and cooperation projects to increase international and interdisciplinary scientific cooperation in Svalbard, including pilot studies and planning of large projects and applications. The funding shall promote the strategic objectives of Svalbard Science Forum; increased cooperation, coordination and data sharing, and reduced environmental impact. According to statistics on registrations in the Research in Svalbard (RiS) database, more than 700 scientists from 30 different nations were involved in projects in Svalbard in 2013. Eight SSG-financed workshops were organized in 2013. In total more than 250 researchers have had the chance to meet together due to grants from SSF in 2013. Creating meeting places for researchers from all four research bases helped to strengthen international cooperation within Svalbard research. But there was no Chinese scholars applied this grant before.

Besides, The SSF supports flagship programs for scientific cooperation in Svalbard and contributes to the development of the four thematic flagships for research cooperation in Ny-Ålesund. The Research Council of Norway offers several funding opportunities available to scientists who work or would like to work in Svalbard. Two of these are under the activity of Svalbard Science Forum, are targeted towards data collection and improved cooperation and have annual calls. The SSG is prioritizing the development of the Ny-Ålesund flagship programs, establishment of new flagships programs for scientific cooperation in Svalbard, and the follow up of recommendations from previous SSF workshops. Four flagship programs have already been established for the research and monitoring activities in Ny-Ålesund. In addition, The Svalbard Science Forum (SSF) has in 2014 established the SSF Flagship Programs. SSF flagship programs for scientific cooperation in Svalbard are groups of researchers from different nations, stations, institutions and/or research bases that work together with the same questions and challenges to find common answers and solutions. A prerequisite for success is that the cooperation within and between the research entities is strengthened. SSF flagship programs include sharing of knowledge and data, they have priorities and a clear strategy to ensure added value for Svalbard research. New

SSF flagship programs should complement existing ones, and all SSF flagship programs should be continuously developed.

Flagship programs for scientific cooperation in Svalbard are groups of researchers from different nations, stations, institutions and/or research bases that work together with the same questions and challenges to find common answers and solutions. A prerequisite for success is that the cooperation within and between the research entities is strengthened. Programs include sharing of knowledge and data, they have priorities and a clear strategy to ensure added value for Svalbard research, including: International and institutional cooperation between relevant nations, research bases and research groups in Svalbard. A review of the status today, an identification of knowledge gaps and a plan for exchange of knowledge; Priorities, recommendations for and strategies for future work and data sharing; A plan to initiate and continuously develop the flagship program; Shared responsibilities for activities and research; Measures to secure dissemination of results and open sharing of data.

During my meeting with staff from Secretariat of the Arctic Council, I have also received message about some difficulties of China's participation into the working groups meetings under the Arctic Council. As a new observer state of this mechanism, China has proactive entered to general and SAO meetings of Arctic Council, also attended workshops and meetings under the working groups. According to the rules for all observers, while the primary role of observers is to observe the work of the Arctic Council, observers should continue to make relevant contributions through their engagement in the Arctic Council primarily at the level of Working Groups. Observers may propose projects through an Arctic State or a Permanent Participant but financial contributions from observers to any given project may not exceed the financing from Arctic States, unless otherwise decided by the SAOs. But the representative from Chinese side has always been sent from the Ministry of Foreign Affairs, the diplomats are been involved to working groups meeting on specific scientific and research talks, while all other member countries are sending the scientists to participate to above mentioned events, which resulting gaps of professional knowledge.

Besides the general scientific expeditions, current Arctic studies are based on nation states jurisdiction and game of Realpolitik. Global institution building, governance models and effectiveness evaluation have not played significant role. Interdependent global system and Arctic issue not only covers all arctic countries, but also includes several Non-Arctic countries as partners of cooperation or actors of governance. Current Arctic challenges include climate change, ice melting, environmental pollution, development of new shipping route and so on, which cannot be solved by individual country or the region. The effective Arctic governance needs focus on the following key aspects:

First, Confidence Building. Should coordinate the interests between Arctic and Non-Arctic countries, between developed and developing countries, between big powers and countries with regional influence. Alleviate tensions and adversarial interactions among major players possessing legitimate interests in the Arctic (e.g. indigenous peoples, other Arctic residents, environmental organizations, businesses, governments). Agenda setting is also a important step of effective governance. Identify the differences of reason and purpose of the agenda setting, resulting in different understanding of the reality. In this context, may create the gap between individual and public interests, making it difficult to enter in the so-called cooperative regime. All actors should eliminate differences of understanding and definition of regulation building, responsibility taking, and methods of participation. Defining major challenges during the agenda setting process.

Third, Design of Institutions. Arctic governance tasks should be handled by bodies with capacity, building the multilevel governance framework, including local, regional, national, and international bodies as well as traditional and non-governmental bodies. At present, the non-institutional arrangements for dialogue and cooperation have become major feature of the current governance model. Strengthening regulatory (existing) frameworks becomes a major topic of institution building in the future. Global Treaty System: Soft governance from top to bottom. (e.g. UNCLOS, IMO, IWC); Regional Organizations: Semi-Closed collaborative governance, (e.g. Arctic Council, The conference of Parliamentarians of the Arctic Region, The Barents Euro-Arctic Council.); Bilateral mechanisms: Exclusive Governance driven by Interests. (Russia-Norway fisheries commission)

Acknowledge common rights and duties. Balancing entitlements of sovereignty, rights of access natural resources, and authority of environment protection regulation as well as the rights of indigenous peoples.

Recognize the rights and duties under applicable international law of other States and relevant non-state actors. Arctic governance arrangements should reflect current and anticipated needs of global governance, to work on the challenges.

Adaptability for Effectiveness. The different understanding on the concepts of Arctic governance has made significant impact on the models of governance, and constrains the effectiveness of governance. Dealing with complex and dynamic systems like Arctic region, should focus on devising procedures, which provides adaptability or flexibility, in terms of high levels uncertainty and challenges.

Generally, compare with traditional state actors, arctic scientist groups are also playing the significant and unique role in that governance process. First, collective opinions of scientist groups will help them to avoid being manipulated by interest groups or single countries. Second, low politicized composition structure of group helps to improve the acceptance of research results by different parties. Third, professional scientific advices are objectively closer with facts and challenge that we facing in this region, which can maintain the healthy development of the Arctic ecosystem. But there are still some negative factors needs to be concerned: As one of the governance bodies, arctic scientist groups does not have independent legal qualifications, the lack of governance capacity will influence their involvement into the decision or policy making process, as a individual or group of individuals, they can not undertake the corresponding obligations of governance. And last but not least, the non-direct governance paradigm of scientist groups needs other governmental, interregional or international bodies or mechanisms to practice and externalize their views or advocates.



## Coming Event: 3rd China-Nordic Arctic Cooperation Symposium, June 2015

<b>Date</b>	May 26-28, 2015	<b>Convened by</b>	Shanghai Institutes for International Studies (SIIS)
<b>Location</b>	Shanghai, China	<b>Event by</b>	China-Nordic Arctic Research Center (CNARC)
<b>Language</b>	English	<b>Participants</b>	Chinese and Nordic Institutions

**Conference Theme:** *Arctic Synergies: Policies and Best Practices*  
<http://cnarc.info/index.php/symposia>

We cordially invite proposals for oral presentations at the 3rd China-Nordic Arctic Cooperation Symposium. Proposals are welcome from researchers affiliated with Nordic and Chinese universities, research institutes, think tanks and organizations. All presentations will focus on Arctic-related issues, within one of the session topics:

- Session I The Evolution of Arctic Governance: Geopolitical, Legal, and Socio-Economic Issues
- Session II The Impact of Scientific Developments on Arctic Strategies
- Session III The Framing and Implementation of Chinese and Nordic Arctic Policies
- Session IV Non-Arctic Stakeholders Economic Impact on the Arctic

(A more detailed description of each session will be found in the texts attached)

The China-Nordic Research Center (CNARC) was established in Shanghai on December 10, 2013. It is a network of 11 Member Institutes, five Chinese and six Nordic, which all have the capacities to influence and coordinate Arctic research. CNARC's purpose is to provide a platform for academic cooperation to increase awareness, understanding and knowledge of the Arctic and its global impact, as well as to promote cooperation for the sustainable development of the Nordic Arctic and a coherent development of China in a global context.

The 3<sup>rd</sup> China-Nordic Arctic Cooperation Symposium is an international and multi-disciplinary event expected to draw researchers, industry representatives, policy-makers and community leaders to present, debate and discuss research findings and issues relating to growing Nordic-Asian Arctic cooperation.

**Abstracts** (250–400 words)

**Deadline for Abstract Submission: February 27, 2015**

Acceptance for abstracts: Mid-March, 2015

A selection committee nominated by CNARC will review and select the proposals. A publication of research papers written for the occasion will be issued.

Please submit abstracts electronically (with a short CV attached) to:

Dr. Yang Jian, Vice-President, SIIS: yangjian@siis.org.cn

Mr. Egill Thor Nielsson, Executive Secretary, CNARC: egillnielsson@pric.org.cn / +86 131 6241 7903 (PRC) / +354 868 2031 (ICE)

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## **Detailed description of sessions of the symposium:**

### ***Session 1, The Evolution of Arctic Governance: Geopolitical, Legal, and Socio-Economic Issues***

The Arctic has, in recent years, assumed global importance because of the impact of climate change, the region's natural resources, and the economic potential offered by the opening of Arctic sea routes. What are the main political, legal and socio-economic issues in the evolution of Arctic governance? Is the current governance framework based on the United Nations Law of the Sea Convention (UNCLOS) sufficient to meet the challenges and opportunities in the region? To which extent would the tension between Russia and U.S.-EU in the aftermath of Ukrainian crisis affect Arctic governance and Arctic cooperation? How does the Arctic fit into broader geopolitical developments taking place in the world? What is the role of the Arctic Council? What is the significance of the decision to accept five Asian countries (China, India, Singapore, South Korea and Japan) as observers to the Arctic Council? How does increased interest in the Arctic contribute to sustainable development and human security at local, national and regional levels in the Arctic region? How do these changes affect the participation of indigenous communities in Arctic governance and the longstanding culture for open dialogue and informal deliberation within the Arctic Council?

### ***Session 2, The Impact of Scientific Developments on Arctic Strategies***

Scientific research and cooperation has been at the very center of Arctic policy-making since the Arctic Environmental Protection Strategy was launched in 1991, which subsequently led to the establishment of the Arctic Council in 1996. Has science remained as a key element in Arctic policies with the promotion and popularization of Arctic affairs? How do outside stakeholders, such as China, see the role of science and research in Arctic policy-making? What are the implications of Arctic Science Summit Week 2015 and Third International Conference on the Arctic Research Planning (ICARP III) on Arctic Science and governance?

### ***Session 3, The Framing and Implementation of Chinese and Nordic Arctic Policies***

All the Nordic States have, in the last few years, published official Arctic strategies. While China has not yet taken this step, it is possible that a policy statement or a White Paper will be forthcoming. What are the main concerns of the Nordic countries, when it comes to the Arctic? What do the Nordic Arctic policies have in common and how do they differ from each other? What is the role for Arctic policy papers from regional or sub regional organizations, such as the Nordic Council, the West Nordic Council and the Barents Council? How do European supranational and intergovernmental organizations, such as the European Union and European Free Trade Association, fit into Arctic policy-making? What Arctic-related policy cooperation is in place between China and the Nordic Countries? How can the China-Nordic Arctic cooperation framework be developed further through bilateral and multilateral means?

### ***Session 4, Trans-Arctic Synergies in Arctic Economic Development***

Following the Arctic Council's 2013 Ministerial Meeting in Kiruna over half of the G20 countries are now represented at the Arctic table. The Arctic region is playing a more important role on the world stage as part of globalization, economic development, energy utilization, environmental protection and international security. The World Economic Forum, in its 2014 report *Demystifying the Arctic*, estimated the Arctic region's current annual economy at roughly \$230 billion; this figure, however, could rise in the coming years, with the Arctic believed to hold about 20% of Earth's remaining recoverable natural resources (including substantial reserves of oil and gas, minerals, renewable energy sources, fresh water and seafood). Questions remain where investors and labor force for Arctic projects will come from; in addition, international cooperation and best practices are likely to remain as critical success factors for many of the Arctic's potential economic opportunities. What role will outside stakeholders, including Asian and European economies, play in the economic development of the Arctic? In which industries are the interests of local Arctic residents and outside stakeholders most aligned? Will it be in developing infrastructure, creating new extensions of international transportation networks (in shipping and aviation), developing trade relations and/or investing in natural resource development?



## Secretariat of China-Nordic Arctic Research Center (CNARC)

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