

FEBRUARY 2016

An Arctic Redesign

Recommendations to Rejuvenate
the Arctic Council

AUTHORS

Heather A. Conley
Matthew Melino

A Report of the
CSIS EUROPE PROGRAM

CSIS | CENTER FOR STRATEGIC &
INTERNATIONAL STUDIES

An Arctic Redesign

Recommendations to Rejuvenate the Arctic Council

AUTHORS

Heather A. Conley
Matthew Melino

February 2016

A Report of the CSIS Europe Program

CSIS | CENTER FOR STRATEGIC &
INTERNATIONAL STUDIES

About CSIS

For over 50 years, the Center for Strategic and International Studies (CSIS) has worked to develop solutions to the world's greatest policy challenges. Today, CSIS scholars are providing strategic insights and bipartisan policy solutions to help decisionmakers chart a course toward a better world.

CSIS is a nonprofit organization headquartered in Washington, D.C. The Center's 220 full-time staff and large network of affiliated scholars conduct research and analysis and develop policy initiatives that look into the future and anticipate change.

Founded at the height of the Cold War by David M. Abshire and Admiral Arleigh Burke, CSIS was dedicated to finding ways to sustain American prominence and prosperity as a force for good in the world. Since 1962, CSIS has become one of the world's preeminent international institutions focused on defense and security; regional stability; and transnational challenges ranging from energy and climate to global health and economic integration.

Thomas J. Pritzker was named chairman of the CSIS Board of Trustees in November 2015. Former U.S. deputy secretary of defense John J. Hamre has served as the Center's president and chief executive officer since 2000.

CSIS does not take specific policy positions; accordingly, all views expressed herein should be understood to be solely those of the author(s).

© 2016 by the Center for Strategic and International Studies. All rights reserved.

Center for Strategic & International Studies
1616 Rhode Island Avenue, NW
Washington, DC 20036
202-887-0200 | www.csis.org

Contents

Acknowledgments	IV	
An Arctic Redesign: Recommendations to Rejuvenate the Arctic Council		1
Introduction	1	
The Changing Nature of the International System and the Arctic		4
The Arctic Council	5	
Structural Challenges	6	
Recommendations for Improving Arctic Council Governance		10
Conclusion	19	
About the Authors	20	

Acknowledgments

The CSIS Europe Program would like to thank the Ministry of Foreign Affairs of Finland, specifically the Unit for Policy Planning and Research and the office of Finland's Arctic ambassador for their generous support, insights, and challenge to engage in an “outside of the box” thinking exercise about the future of the Arctic Council and its governance structures. A special thank-you to many thoughtful and generous American and Finnish experts and officials who have served tirelessly on numerous Arctic Council working groups, task forces, and assessments and who candidly shared their views about the work and activities of the Arctic Council. These experts helped guide us to closely examine several critical issues facing the Arctic Council during two working group sessions in Washington, D.C., and Helsinki, Finland. Finally, the CSIS Europe Program would like to thank former research associate Caroline Rohloff and research interns Caius Honkanen and Donatienne Ruy for their assistance in the project and report.

An Arctic Redesign

Recommendations to Rejuvenate the Arctic Council

Heather A. Conley and Matthew Melino

Introduction

On September 19, 1996, a high-level forum known as the Arctic Council came into being. It began as an informal, consensual, and cooperative mechanism with neither legal personality nor operational mandate. It was designed to enhance measures to collectively protect the Arctic’s environment and to explore sustainable economic development opportunities. It evolved from a previously adopted Arctic Environmental Protection Strategy (AEPS) that was principally designed to remediate environmental damage in the Russian Arctic prior to and following the dissolution of the Soviet Union. The Arctic Council’s origins have profoundly shaped the primary function of the organization as evidenced by its dedication to environmental protection and a lesser focus on sustainable development. When conceived in 1996, the Arctic Council had eight member countries, indigenous representatives known as the permanent participants, four observer states (Poland, Germany, Great Britain, and the Netherlands), and three observer organizations.¹ In addition, the Arctic Council created the position of senior Arctic officials (SAOs), a post drawn from each member state, and subsumed the five AEPS programs or working groups—organizational relics from the AEPS architecture.²

On September 19, 2016, the Arctic Council will turn 20 years old; it has truly come of age, growing larger and more complex. Although its original eight members and permanent participants remain, Arctic Council observers—both state and nongovernmental—have grown exponentially. There are now 12 observer states—to include India and China—and 11 nongovernmental organizations. Utilizing the framework of the Arctic Council, two legally binding agreements were negotiated and signed: the Agreement on Cooperation on Aeronautical and Maritime Search and Rescue in the Arctic (SAR Agreement), which was signed in May 2011 by the eight Arctic Council member states, and the 2013 Agreement on Cooperation on Marine Oil Pollution, Preparedness and Response in the Arctic (OPPRA). A permanent secretariat was also created in May 2013, located in Tromsø, Norway. The Arctic Council has supported the creation of two new entities that are not formally connected to the Arctic Council but support Arctic Council-

¹ Michal Luszczuk, “Arctic Council Observer: The Development and Significance of Poland’s Approach towards the Arctic Region,” in *Ocean Yearbook* 27, ed. Aldo Chircop, Scott Coffen-Smout, and Moira McConnell (Boston, MA: Martinus Nijhoff Publishers, 2013); and Andrew Chater, “Explaining the Evolution of the Arctic Council” (PhD diss., University of Western Ontario, September 2015), 220.

² Arctic Council, “Ministerial Direction,” updated July 16, 2012, <http://arctic-council.org/eppr/reports/ministerial-direction/>.

related business: the Arctic Economic Council (AEC), created in September 2014, and the Arctic Coast Guard Forum (ACGF), officially launched in November 2015.

Why such extraordinary expansion and activity of an intergovernmental forum largely dominated by scientists and experts? There are several explanations for the Arctic Council's rapid evolution. Confounding most climatologists, the stunning changes taking place in the Arctic are occurring much more quickly than anticipated and are an increasing international concern. Global sea level rise, due to the melting of the Greenland ice sheet, will significantly impact island and coastal nations. There may also be a causal link to changing global weather patterns and shifts in atmospheric circulation of the Arctic Oscillation (AO), which also affects many countries. Permafrost thaw and ocean acidification are also issues of great concern. At the same time and because the Arctic is warming twice as fast as the global average, a rapidly shrinking polar ice cap makes Arctic shipping, energy and mineral resource exploration, and fishery opportunities increasingly attractive to a diverse set of countries far beyond the Arctic region. Finally, it is not just states that are interested in all things Arctic but nongovernmental organizations also seek a greater voice at the Arctic Council table both to enhance Arctic environmental protection and to limit economic development, while other organizations want to ensure there are sustainable development opportunities available in the future to support indigenous communities and increase economic growth.

Clearly, both the increase in the number of and complex interplay among Arctic issues coupled with the increase in the number of non-Arctic state and nongovernmental stakeholders raises critical questions: Is the current organizational structure of the Arctic Council adequate and fit for purpose? Can the Arctic Council remain at the international epicenter of Arctic-related activities under its current mandate? Do these critical questions demand a substantial rethink of the Arctic Council to ensure its productivity and longevity for its next 20 years of existence?

At present, there is a general lack of interest and enthusiasm among the eight Arctic Council states to create a new system. The unwillingness to reopen and revise the Arctic Council's Ottawa Declaration further impedes reform. But lately, a sufficient number of challenging governance issues have emerged, prompting the U.S. government, under the auspices of its two-year chairmanship, to initiate a governance review of the Arctic Council. This initiative is most welcome, particularly on the eve of the 20th anniversary of the Arctic Council. The moment is ripe to outline a long-term strategy describing the future organizational structure and mandate of the Arctic Council.

It is equally important to note that the Arctic Council has by no means failed in its mission. The intergovernmental forum has performed admirably in identifying emerging issues, conducting groundbreaking climate and marine assessments, and establishing a strong internationally cooperative and consensus-based framework. Conceptually, the Council's mandate promotes cooperation, coordination, and interaction—essential pillars of governance. It has also served as an effective forum for dialogue among different groups, particularly the participation of indigenous peoples'

organizations and the openness of the council to nonstate actors as observers. The Arctic Council's positive organizational evolution demonstrates its ability to develop a long-term, consensus-based vision for the Arctic region.

But it is a limited vision. The Arctic Council's 1996 mandate was developed during a time of hope and optimism at the end of the Cold War and when the Arctic was still largely a domain dominated by scientists and environmentalists. There was no need to discuss Arctic security in 1996. However, 2016 represents a far more geopolitically complex moment and the Arctic is now a global issue. Therefore, despite its many past successes, the Arctic Council is poised to become inert or irrelevant amidst shifting global and Arctic economic, military, and environmental dynamics. It is thus imperative that the Arctic Council considers reforming its structure to better meet the high level of diverse demands facing this dynamic region.

Contemplating reform of the Arctic Council is an arduous process made more difficult by the cooperative and consensus-based nature of the Council. Any recommended reforms, regardless of the level of ambition, must be agreed to by all members of the Arctic Council and permanent participants. At the present time, there is insufficient political will to undertake a major effort to streamline and change existing Arctic Council working groups or processes let alone correct deficiencies in the Council such as the lack of substantive discussions on sustainable economic development or security issues. It is increasingly likely that the latter two developments will occur outside of the Arctic Council, reducing its limited mandate to solely environmental protection.

But if one could assume a more hospitable political environment and a willingness to architecturally redesign the Arctic Council today, how would one design it? To use a home-construction metaphor, you have a 20-year-old home (the Arctic Council) that needs some repair work. Visitors (observers) increasingly frequent the home and it is becoming crowded. Increasing numbers of observers and new agenda items have taxed the home's originally constructed internal plumbing. Decisions must be made about what to repair and what not to repair, to add an addition or not, and to factor in the costs of these repairs or not making these repairs as both resources and political will are scarce.

There are four possible scenarios and strategies for Arctic Council reform and repair, ranging in level of ambition from the least to the greatest.

- **Strategy One: Deferred Maintenance.** This strategy operates under the conviction that the Council is doing well and fulfilling its mandate. A review of processes and subtle adjustments in tracking national decisionmaking may take place but there will be no further decisions welcoming new observer nations or organizations made in the future.
- **Strategy Two: Minimal Repairs.** This strategy takes the step to actually “repair” the Council by addressing questions surrounding observers (such as introducing a regional rotating system and relaxing the Arctic Council Observer Manual), reorienting the working groups to focus on tangible outcomes, holding annual

ministerial meetings, and “naming and shaming” members and observer states for failing to comply with Arctic Council recommendations. In sum, this strategy begins to transform the Council to a more important, policymaking body.

- **Strategy Three: Subdivide.** This strategy is similar to a “hub and spoke”³ Arctic governance system whereby the Arctic Council maintains its primary focus on environmental protection but assumes the role of coordinating other relevant Arctic organizations and/or entities addressing Arctic issues. By subdividing, the Arctic Council would not expand organizationally but rather divide and delegate tasks and responsibilities to specific subgroups, such as the Arctic Economic Council and the Arctic Coast Guard Forum, with the relevant expertise. In essence, the Arctic Council would become the premier hub of important Arctic issues but it would not be designed to address them, thus reducing the number of bureaucratic hurdles that arise when multiple stakeholders attempt to tackle an issue.
- **Strategy Four: A Complete Redesign.** The fourth and most ambitious strategy is that of a new institutional design for a new era. This plan calls for the creation of an “Arctic Security and Cooperation Organization” (ASCO) designed along the lines of the consensus-based Organization for Security and Cooperation in Europe (OSCE). Three Arctic “dimensions” will cover economic issues, human/environmental issues, and for the first time security issues—a topic currently outside the Council’s mandate.

Each strategy comes with its positives and negatives. The potential benefits should be carefully measured against the level of political will and the negatives of not accepting reforms. There is no cost-free way to improve the governance of the Arctic Council—just many difficult choices. Regardless of choice, it is critical that the Arctic Council adapts to address future challenges, maintains its centrality on Arctic issues, preserves the voices of the indigenous communities, and prepares the way for a more globally focused Arctic governing structure.

The Changing Nature of the International System and the Arctic

The future relevance and centrality of the Arctic Council will depend on its ability to foresee future challenges to the region and develop appropriate policy responses. The Arctic region has witnessed two significant geopolitical shifts centered upon the largest Arctic actor, Russia, since the creation of the Arctic Environmental Protection Strategy in June 1991: the first, the collapse of the Soviet Union and end of the Cold War and the second, a return of geopolitical tensions following Russia’s illegal annexation of Crimea and destabilization of eastern Ukraine in March 2014. The Arctic region was an early and prime beneficiary of warming relations between the then-Soviet Union and the West. The region was also an early adopter of an international system attempting to address

³ William M. Eichbaum, “Arctic Stewardship: The Evolution of a New Model for International Governance,” *Environmental Law Reporter* 43, issue 10 (October 2013): 10867, <http://eli-ocean.org/wp-content/blogs.dir/5/files/ELR-Article-1.pdf>.

multidimensional and cross-cutting challenges such as environmental protection and climate change mitigation. After the collapse of the Soviet Union, Arctic nations dominated the governance of the region as they sought out environmental and political interests in close cooperation with indigenous communities. There were no security concerns during this era other than radioactive environmental remediation.

Recently, the rise of regional powers and nonstate actors, both of which increasingly seek to challenge governance structures and international legal norms, perplex government officials and experts who are engaged in Arctic issues. This second shift is the result of globalization, growing international economic interests, instant global communication, and increased security concerns due to rapid geopolitical changes. The number of interested states and nonstate actors in the Arctic is increasing as are their diversity of interests. Because the Arctic region is in a transitory geopolitical period between a cooperative environment following the first shift and the return of balance of power dynamics of the second shift, this uneasy transitory period—which simultaneously signals both cooperation and confrontation—may extend for a prolonged period.

The Arctic Council

Institutionally, the Arctic Council should be sufficiently flexible to adjust to this transitory era. Growing interest in the Arctic region is evidenced by the number of stakeholders interacting with the Arctic Council to address issues ranging from governance challenges to regulating resources. The Council currently consists of eight Arctic states; 12 very diverse observer states (ranging from China and India to Poland and Italy, to name but a few); six permanent participant (PP) groups representing indigenous communities; six working groups: Arctic Contaminants Action Program (ACAP), Arctic Monitoring and Assessment Programme (AMAP), Conservation of Arctic Flora and Fauna (CAFF), Emergency Prevention, Preparedness and Response (EPPR), Protection of the Arctic Marine Environment (PAME), and Sustainable Development Working Group (SDWG); three active task forces: Task Force on Arctic Marine Cooperation (TFAMC), Task Force on Telecommunications Infrastructure in the Arctic (TFTIA), and Scientific Cooperation Task Force (SCTF); and two expert groups: one in support of implementation of the framework for action on Black Carbon and Methane, and a second ecosystem-based management expert group. Representing approximately 500,000 Arctic indigenous inhabitants, the PPs have full consultation rights in connection with the Council's negotiations and decisions and play a unique and important role in this intergovernmental forum to ensure that indigenous voices will shape and influence all Arctic Council activities and decisions. The PPs place strong emphasis on protecting cultural heritage, promoting traditional knowledge, ensuring food security, and improving the health, well-being, and economic stability of indigenous communities.

The primary role of observer states is to observe the work of the Arctic Council. While observer states do not have voting rights in the Council, they may propose projects through an Arctic state or a PP and may provide their views on issues under discussion in the Council's subsidiary bodies. Observer states must adhere to the following criteria:

Observers may attend meetings and other activities of the Arctic Council unless otherwise specified by the senior Arctic officials at the discretion of the chair, observers may present written statements and relevant documents at working group meetings, every four years observers must state affirmatively their continued interest in observer status, and observers “may propose projects through an Arctic state or a permanent participant but the total financial contributions from all observers to any given project may not exceed the financing from Arctic states, unless otherwise decided by the senior Arctic officials.”⁴

Structural Challenges

The interplay of the senior Arctic officials (SAOs), working groups (WGs), task forces (TF), and expert groups (EGs) is a fairly complex process. SAOs oversee and direct the work of the Council in consultation with the working groups, task forces, and other subsidiary bodies who submit reports and proposed work plans for approval.⁵ SAOs serve as the link between the ministers, the six permanent working groups, the task forces, and expert groups responsible for coordinating, guiding, and monitoring the work of the Arctic Council. This includes prioritization of projects and coordination of the overall efforts of the working groups. The fact that SAOs tend to be from foreign affairs ministries with expertise in diplomacy, process, and relationship management rather than the technical details of policy-relevance of Arctic science creates tensions over priorities.⁶ For example, during the first 10 years of the Arctic Council’s existence, the SAO meetings became an arena where working groups were seeking the acceptance of their own policies. Although this dynamic has changed, there is concern in the Arctic science community that its freedom of action has been curtailed by increased political oversight. As a result, there will be an ongoing challenge to find the appropriate balance in the science-policy interface.⁷

The working groups operate under a two-year work plan approved at the ministerial meetings after discussion by the SAOs. The premise of the work is largely determined by the working groups themselves, and working groups are given considerable technical freedom.⁸ There is, however, no inherent mechanism for each working group to know what the other is doing, and the independence given to the working groups makes it challenging for the SAOs to play an oversight role. In the absence of direction from SAOs, working groups need to improve internal communication and reporting.

It is clear that the Arctic Council working groups produce impressive reports and groundbreaking assessments ranging from the Arctic Marine Shipping Assessment

⁴ Arctic Council, “Arctic Council Observer Manual for Subsidiary Bodies,” updated January 18, 2016, <http://www.arctic-council.org/index.php/en/about-us/arctic-council/observers>.

⁵ Terry Fenge and Bernard Funston, *The Practice and Promise of the Arctic Council* (San Francisco, CA: Greenpeace, April 2015), 11, http://www.greenpeace.org/canada/Global/canada/file/2015/04/GPC_ARCTIC%20COUNCIL_RAPPORT_WEB.pdf.

⁶ *Ibid.*, 9.

⁷ *Ibid.*, 18.

⁸ Office of the Auditor General of Norway, *The Office of the Auditor General’s Investigation of the Authorities’ Work with the Arctic Council* (Riksrevisjonen: Office of the Auditor General of Norway, December 2014), 11. <https://www.riksrevisjonen.no/en/Reports/Documents/ArcticCouncil.pdf>.

(AMSA) and the Arctic Climate Impact Assessment to the Arctic Human Development Report. It is unfortunate that so few people are aware of or read these important (and expensive) assessments and reports. The other unfortunate dynamic is that rarely are recommendations from the working groups acted upon by the Arctic Council members. Recommendations seem to languish or the Arctic Council initiates a process to continue to study the report's findings. The one exception to this is the AMSA report, which had 17 final recommendations of which approximately half of the recommendations have been implemented, the most important being making the International Maritime Organization's (IMO) Polar Code mandatory.

The overlapping of the working groups receives little public visibility beyond the involved experts and therefore suffers from a lack of accountability, transparency, and clear implementation plan of national decisions taken by the Arctic Council states. Are the working groups focusing on priority issues or should working groups focus on long-term issues? Does the conservation of Arctic flora and fauna require a separate working group or can these issues be merged into a broader working group? Could the work of the Protection of the Arctic Marine Environment (PAME) Working Group be folded into the Emergency Prevention, Preparedness and Response Working Group? Are the working groups working together on a common set of issues? It is time to reclassify and re-categorize the working groups.

Similar to the working groups, task forces are involved in the operational work of the Arctic Council and report directly to the SAOs.⁹ A task force operates under a time-limited mandate and is focused on achieving concrete results on a priority area established by the foreign ministers with active engagement by the SAOs. The SAOs maintain greater levels of influence and direct input over task forces than they do over the working groups.¹⁰ The task forces are usually co- or tri-chaired by Arctic Council states. For example, a task force on Search and Rescue was created in 2009 to develop an international search and rescue agreement. This task force, co-chaired by the United States and Russia, completed its work when the eight Arctic Council members signed the Agreement on Cooperation in Aeronautical and Maritime Search and Rescue in the Arctic (SAR Agreement) in 2011. The agreement, however, is not an Arctic Council agreement nor was an entity created to implement this agreement (until the launch of the Arctic Coast Guard Forum four years later in late 2015), but the Arctic Council's framework was used for the purposes of negotiation.

The creation of Arctic Council task forces has caused some controversy within the Arctic Council's operating procedure. While task forces can be an efficient way of making progress in specific subjects prioritized by the Arctic Council, and provide links with resident Arctic Council expertise from both the working groups and expert groups involved, their repeated use of task forces can result in overlapping work and conflictual agenda prioritization. For example, the mandates of the Task Force on Black Carbon and Methane, AMAP's work, the Expert Group on Ecosystem-based Management, and PAME overlap. The work of the task forces could also undermine and reduce the prioritization

⁹ Ibid., 51.

¹⁰ Ibid., 57.

of the research agendas of the existing working groups.¹¹ The repeated formation of task forces demonstrates that the working groups are unable to produce prioritized results and are untethered to the priorities of Arctic Council leaders, raising serious questions regarding the relationship between the issue-specific and time-limited task forces, and the Arctic Council's preexisting and ongoing programs and working groups.¹² The task force construct also underscores weak coordination within the Arctic Council itself. A disconnect between working groups, the SAOs, and the ministerial level creates gaps in the dialogue and a mismatch between long-term agendas and short-term initiatives.

The lack of coordination is not limited to occurrences between working groups and task forces but is also present between the Arctic Council and other Arctic-related (but non-Arctic Council) institutions. For example, a formal relationship between the Arctic Council and the Arctic Economic Council (AEC), created in 2014 during the Canadian chairmanship of the Arctic Council, is unclear. The AEC is responsible for facilitating business-to-business activities in the Arctic, and is recognized as the main interface between the Arctic Council members and private businesses.¹³ Although it is an independent entity, it has been suggested that the AEC may report biannually to the ministerial meeting of the Arctic Council. Another newly created entity is the Arctic Coast Guard Forum (ACGF). This entity will implement the two legally binding agreements: the Agreement on Cooperation on Aeronautical and Maritime Search and Rescue in the Arctic (SAR Agreement), which was signed in May 2011 by the eight Arctic Council member states, and the 2013 Agreement on Cooperation on Marine Oil Pollution, Preparedness and Response in the Arctic (OPPRA). But the ACGF has no formal linkages to the Arctic Council either. Two other regional organizations, the Barents Euro-Arctic Regional Council¹⁴ and the Pacific Northwest Economic Region (PNWER),¹⁵ also lack the ability to formally interact with the Arctic Council. Finally, a privately developed yet increasingly influential Arctic Circle¹⁶ forum also does not have a formal relationship with the Arctic Council. Should there be a new and separate working group that will engage in economic issues and liaise with the AEC and other Arctic regional economic organizations that support the Arctic Council's mission of sustainable development? Should they be kept separate? Or, should these entities loosely communicate and coordinate with the Arctic Council Secretariat? As Arctic issues become more fragmented and as separate entities are created, the Arctic Council is diminished as the premier forum to discuss all Arctic issues.

The future role of the Arctic Council Secretariat (ACS) is another important example of the need to strengthen organizational structures to enhance internal coordination. The secretariat, based in Tromsø, Norway, was created in 2011 and became operational with international legal status in June 2013. The ACS was created to heighten visibility, coordinate communication, develop a harmonized data-management system, and strengthen internal implementation-tracking mechanisms in order to "strengthen the

¹¹ Ibid.

¹² Fenge and Funston, *The Practice and Promise of the Arctic Council*, 11.

¹³ Arctic Economic Council, <http://arcticeconomiccouncil.com/>.

¹⁴ Barents Euro-Arctic Council, <http://www.beac.st/en>.

¹⁵ Pacific Northwest Economic Region, <http://www.pnwer.org/>.

¹⁶ Arctic Circle, <http://arcticcircle.org/>.

capacity of the Arctic Council to respond to challenges and opportunities facing the Arctic.”¹⁷ Although the ACS is in its early stages of development, it has inconsistently met its ambitious objectives. The secretariat’s “tracking mechanism” for current Arctic Council projects, for example, consists of a lengthy Excel spreadsheet. It has struggled in its efforts to hold Arctic member states to their national commitments; it has thus far not substantially enhanced the communication efforts around the Arctic Council’s agenda to the world, and it has not offered concrete proposals to improve the Arctic Council’s implementation mechanisms. The secretariat was created—overcoming some initial American resistance—because there was a perceived governance need to better coordinate, streamline, and make more visible the Arctic Council’s work. Arctic Council member states must continue to prioritize strengthening the secretariat, one such proposal being the creation of a more senior secretary general position that would coordinate directly with both the SAOs and potentially ministers.

The Arctic Council members’ ad hoc creation of task forces (TFs) acknowledges the need for modernizing and streamlining the Arctic Council’s inter-organizational dynamic. There have been a total of 10 Arctic Council TFs created, each co- or tri-chaired by Arctic Council members and most lasting approximately two to four years. In addition to the working group-produced assessments, the TFs produce the most tangible outcomes of the overall work undertaken by the Arctic Council. The TFs on Search and Rescue, Arctic Marine Oil Pollution Preparedness and Response, and the Facilitation of a Circumpolar Business Forum have produced two internationally legally binding agreements (which in turn facilitated the creation of the ACGF) and the Arctic Economic Council. The three current TFs, on Arctic Marine Cooperation, Telecommunications Infrastructure, and Scientific Cooperation, will also likely produce tangible outcomes. Yet, to what extent—if at all—do the working groups interact with these increasingly important TFs? The first meeting of the newly formed Arctic Marine Cooperation TF, which was formed to explore a potential regional seas agreement for the Arctic, invited the leaders of three (CAFF, PAME, and AMAP) out of the six working groups to join the discussion. Should the activities of the working groups support this TF? Does the TF only seek the working group expertise but does not alter that working group’s previously established agenda? Should there be a working group on Arctic marine cooperation that would obviate the need for a separate TF? These are issues that must be explored.

Finally, it is time for the Arctic Council members and permanent participants to weigh the pros and cons of revising the Arctic Council’s founding document, the Ottawa Declaration, 20 years after its founding. The Arctic Council remains true to its original charter but as it approaches its 20th anniversary, its mission and its organizational framework are under significant strain as demands increase to address challenges outside the Arctic Council’s mandate as well as to welcome increasing numbers of non-Arctic observer states into the organization. At present, the intellectual capital and enthusiasm to begin to think about a revised charter—an opening of “Pandora’s box,” as

¹⁷ Nikolas Sellheim, “The Establishment of the Permanent Arctic Council Secretariat: Challenges and Opportunities” (paper presented at conference, The Arctic Council: Its Place in the Future of Arctic Governance, Tromsø, Norway, January 17–18, 2011), 61, http://gordonfoundation.ca/sites/default/files/publications/The%20Arctic%20Council_FULL.pdf.

stated by one senior U.S. official—does not exist. Although very difficult to do and with no existing consensus among the Arctic states on what a revised declaration would say, revising the charter should not be completely taken off the table. A revisiting of the organization’s founding documents should also not be perceived as a failure of the organization; to the contrary, it should be viewed as a desire to strengthen a vital intergovernmental forum that has contributed to the very positive nature of Arctic cooperation through the Arctic Council’s history.

If one were to design the Arctic Council today, would there be equal consideration and focus on sustainable economic development (although it is in the Ottawa mandate) as on environmental protection? Would it seek to address Arctic security issues (both hard and soft security)? Would it address the changing geopolitical nature of the Arctic since 1996? Would it seek a more exclusionary approach to non-Arctic states’ engagement or embrace an inclusionary approach? The Arctic Council has repeatedly and flexibly adapted to governance challenges but the patchwork of ad hoc workarounds may be diluting the forum’s strength and organizing principle.

Most of the pressure to alter the Arctic Council’s governance structures and mandate derives from the global nature through which the Arctic is increasingly viewed. Issues such as deepening international scientific understanding of dramatic Arctic and global environmental change, international economic development of energy and mineral resources, understanding future global shipping patterns, rapidly shifting fisheries management, and increased human activity in the Arctic, are of keen interest to actors beyond the eight Arctic Council states but the impact of these global dynamics are most keenly felt by the 4 million people who reside in the Arctic. This raises questions about the ability of the Arctic Council to continue to effectively address a wide range of issues while remaining at the organizational epicenter of all Arctic-related activities.¹⁸

Recommendations for Improving Arctic Council Governance

Improving Arctic Council governance will not be a quick or easy task, just as it wasn’t easy to form the Arctic Council from the embryonic cells of the Arctic Environmental Protection Strategy. It will require an agreed level of ambition and a deliberate, long-term course of action that will extend beyond any member states’ two-year chairmanship.

There are four strategies to consider, ranging in level of ambition from least to greatest: (1) deferred governance maintenance, (2) minimal governance repairs, (3) subdivide governance responsibilities among different organizations under the Arctic Council’s umbrella, and (4) a new governance architectural design that requires revising the Ottawa Declaration. Each course of action has benefits and costs that this report outlines and weighs.

¹⁸ Heather A. Conley, “Perspectives on Arctic Governance under the U.S. Chairmanship of the Arctic Council,” Korea Maritime Institute, 11.

Deferred Governance Maintenance

At the lowest end of the spectrum is the strategy of “deferred maintenance,” which is ultimately a decision to study the matter but not to take steps to reform. Under this scenario, there is no consensus among Arctic Council members about how to reform the Arctic Council. Members, permanent participants, and observers are not fully satisfied with the current structure and its focus but fear that any change may be detrimental to their respective long-term interests. As a result, the Arctic Council will continue to periodically review governance issues but there is a general sense that the Council is effectively acting out its mandate in the face of an evolving geopolitical climate. The Council retains its importance as a forum for cooperation and coordination among Arctic stakeholders but other Arctic organizations, particularly those that address sustainable development issues and engage the private sector, begin to overshadow it. Frustrated by a lack of opportunity to voice their concerns as well as the ad hoc nature of how issues are resolved (e.g., creation of the observer manual and lack of consensus to invite additional observers), observer states will increasingly seek alternative forums and outlets to the Arctic Council. Rival forums, such as the Arctic Circle and more regionally responsive entities, will emerge as more public and diverse voices grow more powerful on cross-cutting Arctic issues. To counterbalance such developments, the Council begins to serve increasingly as a framework rather than as an entity to resolve Arctic challenges. However, the work and issues addressed under the auspices of a convening framework must be implemented by other organizations, such as the Arctic Coast Guard Forum or regional fisheries management organizations.

To a certain extent, the deferred maintenance approach is already the Arctic Council’s de facto modus operandi. The August 2015 GLACIER (Global Leadership in the Arctic: Cooperation Innovation, Engagement, and Resilience) conference was a U.S.-led initiative to generate momentum to address global climate change with its specific application in the Arctic and its unique role in the global climate patterns, its impact on the 4 million people who live in the Arctic, and shared opportunities to prepare, respond, and be resilient to myriad climate impact issues.¹⁹ Despite the United States chairing the Arctic Council and the president of the United States being involved in the conference, the event was not an official Arctic Council event although most of the invited countries were Arctic Council members and observers. At the conclusion of the GLACIER conference, there was a joint statement affirming the Arctic Council’s commitment to slow the pace of warming in the Arctic. Yet two Arctic Council observer states, China and India, refused to sign the joint statement despite their pledges as observers to “accept and support the objectives of the Arctic Council.”²⁰ These developments send troubling signals about the slow deterioration of the Arctic Council’s credibility, underscoring the clear downside to a policy of “deferred maintenance.” Moreover, every time the five Arctic coastal states—Denmark, Norway, the United States, Canada, and Russia, collectively known as the “A5”—are convened, as the United States recently did on

¹⁹ U.S. Department of State, “Conference on Global Leadership in the Arctic: August 30–31, 2015,” <http://www.state.gov/e/oes/glacier/index.htm>.

²⁰ Arctic Council, “Observers,” updated January 18, 2016, <http://www.arctic-council.org/index.php/en/about-us/arctic-council/observers>.

several occasions to develop a preemptive moratorium on illegal fishing in the Central Arctic Ocean, the meetings are not organized as an Arctic Council event. Recently, an ad hoc group of countries, to include Arctic observer states China and Korea, were invited by the United States to join the A5 in expanding this agreement but again, this was done outside the Arctic Council.²¹ The more activities that exclude the Arctic Council and the more ad hoc this practice becomes, the more confusion and frustration there will be regarding exclusionary decisionmaking policies. This will encourage states and organizations to seek more inclusionary forums to address their concerns, reducing the Arctic Council's role. It is ironic that these ad hoc meetings were held under U.S. auspices during the U.S. chairmanship but not Arctic Council events, which were all missed opportunities to strengthen the Arctic Council's leadership.

Focusing on the Most Essential Governance Repairs

A second, slightly more proactive strategy is that of pursuing minimal governance repairs in several critical areas. Should there be sufficient political will, this is the process the Arctic Council will likely undertake during the Finnish chairmanship (2017–2019) based upon some of the governance recommendations currently being explored during the U.S. chairmanship. Pursuant to this strategy is a recognition that the status quo is no longer sufficient or beneficial to the Arctic Council members, permanent participants, and observers. The Arctic Council would enact modest internal reforms based on three areas: reorganization of the working groups, considerable strengthening of the Arctic Council Secretariat, and becoming more inclusive (and demanding) of observer states and organizations.

Realigning and Streamlining the Working Groups. If the Arctic Council were a physical body, the working groups would be its beating heart. Therefore, changes to the working group structures will have the greatest impact on the long-term health and vibrancy of the corporate body, pumping oxygen and new blood into the entire organization. The following is one concept to reorganize, reconfigure, and reunite the activities of the working groups to the broader strategic goals of the forum, thus eliminating the need for creating separate task forces and expert groups. There are many different ways to reorganize these groups but the following construct attempts to reduce substantive redundancies across the existing six working groups and allow external entities, such as the Arctic Economic Council and Arctic Coast Guard Forum, to organically “plug into” the Arctic Council rather than remain detached from the organization while carrying out a portion of the Arctic Council's mandate. To many outside the Arctic Council, the efforts of the working groups are largely unknown. The impressive studies and assessments and their implementation are not part of mainstream Arctic policy discussions.

One potential working group reorganization would be to reduce the number of working groups from six to four and turn the remaining four working groups into “mega-working groups.” The first working group would focus on the Arctic Marine Environment (AME) through an ecosystem-based management lens. In essence, this working group would

²¹ U.S. Department of State, “Meeting on High Seas Fisheries in the Central Arctic Ocean: Chairman's Statement,” December 3, 2015, <http://www.state.gov/e/oes/rls/pr/250352.htm>.

substantially enlarge the existing PAME Working Group and would absorb the EPPR Working Group, address fishery issues, liaise with the Arctic Coast Guard Forum and the International Maritime Organization, and eliminate the need for a separate Arctic Marine Environment Task Force as this working group would be charged to explore the outlines of a regional seas agreement for the Arctic.

The second mega-working group would be dedicated to Arctic Science, Technology, Research, Environmental Monitoring, Assessment and Mitigation (STREAM) and would, in essence, be an enlarged AMAP. STREAM would absorb the work of ACAP and CAFF while prioritizing implementation of the recommendations of the expert group on black carbon and methane, including the preparation of the “Summary of Progress and Recommendations” report. The work of the Scientific Cooperation Task Force would also be captured in this working group.

The third mega-working group would be a completely reconfigured Sustainable Development Working Group (SDWG). Currently, the SDWG is the most vibrant working group because it is the one working group in which the senior Arctic officials are the most engaged and consistently direct its outcomes. It is also the working group that interacts the most with the SAOs and has become the “catch-all” of cross-cutting issues that don’t necessarily fit under the current working group configuration. A reconfigured SDWG would actually realize its title and focus on sustainable economic development in the Arctic. The SDWG would absorb the Arctic Telecommunications Infrastructure Task Force, liaise with the Arctic Economic Council, and coordinate with other regional economic development entities such as the Arctic Euro-Barents Council, the Arctic Circle, PNWER, and private-sector actors. The SDWG would continue its work on energy and natural resource issues.

The final mega-working group would be dedicated to Arctic health and the human dimension. Many of the subtopics currently discussed under the SDWG, such as Arctic health and health surveillance activities, sociological issues, preservation of indigenous language, traditional knowledge, and cultural heritage, will migrate to the Arctic health working group.

Finally, the current structure of each working group—each working group has a specific mandate, its own chair, its own management board or steering committee, and its own secretariat—would also be substantially reduced and streamlined. Under this new structure, the chair of each working group would be a senior official who would report directly to both the SAOs and to an enhanced secretariat, led by an Arctic Council secretary general. The secretariat would perform the functions of each working group’s secretariat and the steering committee would be eliminated. The mandates of each working group would be reviewed and approved biannually at the ministerial meetings. Although much of the working groups’ activities expand beyond a two-year framework, it is important that their work be in synch with ministerial priorities. This biannual review is also an opportunity for member states to review national implementation of working group recommendations.

Enhancing the Secretariat. As the role of the working groups is strengthened, so must the role of the secretariat be strengthened and given greater oversight responsibilities. The secretariat was designed to heighten visibility, coordinate communication, develop a harmonized data-management system, and strengthen internal implementation-tracking mechanisms in order to “strengthen the capacity of the Arctic Council to respond to the challenges and opportunities facing the Arctic.”²² However, it has struggled to fulfill this mandate due to both the inherent challenges of creating a new entity and the different views on how the secretariat should be used during different chairmanships. To strengthen the secretariat, it must become more functionally engaged in the work of the Arctic Council. The secretariat will be responsible for ensuring that the directives of the working groups are coordinated and duplication of efforts avoided. There will be occasions where two working groups may be jointly engaged in assessments and activities or experts may migrate across working groups. The secretariat must strengthen its communication and outreach efforts and serve as the communication hub of all Council-related activities. This includes raising Arctic issues during international forums where common positions on pressing issues can be discussed among the broader international community.²³

To enhance the work of the Arctic Council, the current executive director must transition to a more senior secretary general. The secretary general would interact with the senior Arctic officials and permanent participants (similar to how permanent representatives interact with the secretary generals of the OSCE or NATO) but would also be of sufficient stature to interact with more senior-level representatives such as ministers or deputy ministers. The secretariat must operate with a greater sense of prioritization and direction from Arctic Council ministers. This may require limiting the number of activities and recommendations to those that are actionable and most likely to be fully implemented.²⁴

Rethinking Observers. The question of Arctic Council observers—both state and nonstate—hangs over the future of the organization. This issue perhaps represents the most significant change and challenge to the Arctic Council since its founding in 1996 when the Arctic as a subject was strictly the domain of scientists, regional actors, and random observers. The Arctic in 2016 is a far more broadly discussed global topic where a growing number of actors wish to engage. To date, the Arctic Council has developed an awkward compromise on the regional versus global dimension of the Arctic. In the Arctic Council’s earliest days, a diverse range of countries and organizations were allowed to become observers with very little controversy. However, as the concept of a global Arctic evolved, regional players became more insistent that outside voices or new governance structures were unnecessary and unwelcome. This sentiment was codified in the 2008 Ilulissat Declaration. Yet, Arctic Council members agreed to invite six countries

²² Sellheim, “The Establishment of the Permanent Arctic Council Secretariat,” 61.

²³ Tom Axworthy, comment on Arctic governance, “Video: The Future of Arctic Cooperation, Panel Five: Implications for the U.S. Arctic Council Chairmanship: Seeking to Strengthen the Arctic Council Regime,” conference, CSIS, Washington, DC, June 25, 2014, <http://csis.org/multimedia/video-future-arctic-cooperation-panel-five-implications-us-arctic-council-chairmanship-se>.

²⁴ Julie Gourley, comment on Arctic governance, “Video: The Future of Arctic Cooperation, Panel Five: Implications for the U.S. Arctic Council Chairmanship.”

to become observers in 2013 (and existing observers were required to reapply for observer status) while restricting the role of observers. It is an untenable compromise with strong regional instincts resisting expansion. The Arctic Council will need to discuss and clarify its position on expanding membership as well as the role of observer states. Over the past two years, new observer states have gained a better understanding of where they can focus their efforts, particularly at the working group level, and where there are limits. A majority of the new observers are interested in both environmental and economic development issues and have been somewhat disappointed in the Arctic Council's general lack of focus on development. More countries, such as Turkey, Mongolia, and Switzerland, and nonstate organizations seek to become observers but the Arctic Council is at an impasse: it cannot revoke the participation of the current observer states nor can it agree to substantially increase the number of observers.

In order to break this impasse, it is recommended that the Arctic Council fully embrace observers and allow interested countries to participate fully in the working groups. In return for an increased level of participation, observers must financially support the Arctic Council on an annual basis (according to an agreed formula), the countries must agree to implement Arctic Council recommendations, and they must accept an Arctic "code of conduct" that includes best practices in sustainable development and environmental stewardship. Additional aspects of this new relationship include an observer's ability to select two working groups to which it would like to contribute as well as its status being reviewed every four years. The review of an observer's status would be informed by a reporting mechanism developed by the secretariat that tracks the engagement and practices of the observers. As it is a privilege to be an Arctic Council observing state and not a right, observer status can be revoked if the observer does not meet its obligations. An observer state can reapply when it fulfills the necessary obligations. Deferring the observer question is not practical. Halfway or incremental measures to address this issue such as having a regionally rotating observer state representative from Europe, Asia, or Africa will only continue to frustrate Arctic Council members, permanent participants, and observers alike, causing either a backlash or an organized effort to create a new structure that takes their interests into account.

There are several downsides to expanding the number of observers. A large number of observers dilutes the voices of the permanent participants who already struggle to have their voices heard and are stretched thin from participating in an increasing number of meetings. It will make the discussion table much larger, more difficult to control, and will add new agenda items that risk "clogging" the internal structures, slowing the Arctic Council's overall work and effectiveness. It will also aggravate those Arctic nations that do not want non-Arctic states to play a larger role in the region. Conflicting agendas are also likely to arise. While the Arctic Council must ensure that the Arctic states and the permanent participants do not lose their voice and influence, continuing to restrict outside participation will ultimately threaten the longevity and legitimacy of the Arctic Council.

Subdividing Responsibilities with the Arctic Council in the Role of Coordinator

There is an alternative approach to internal organizational changes. Under this strategy, the structural changes to the Arctic Council will be minimal but modifications to the way the Council operates will be required, in particular the levels of cooperation and interaction between the Arctic Council and related Arctic entities. In essence, the primary function of the Arctic Council will be to act as an Arctic coordination hub in which a variety of Arctic organizations will interact with it. The strategy would clarify inter-organization connectivity, which has become overcrowded. For example, the AEC, which was developed by utilizing the framework of the Arctic Council, has an unclear linkage to the Arctic Council other than the suggestion that the entity would “provide a business perspective to the work of the Arctic Council” in addition to briefings of its activities to Arctic Council ministers.²⁵ It is also unclear whether the AEC would take policy guidance from the Arctic Council as it is not a formal part of the Arctic Council or whether the AEC would be able to draw on existing expertise from within the Arctic Council working groups.

By subdividing Arctic responsibilities, the Arctic Council would evolve into a greater coordinating body. Specific tasks would be delegated to those multilateral organizations, intergovernmental entities, or states that are most apt to addressing a specific crisis or issue. For example, issues of Arctic soft security would be raised in an Arctic Coast Guard Forum, climate change concerns would be raised in forums such as the United Nations Environmental Program (UNEP) and the UN Framework Convention on Climate Change (UNFCCC), maritime shipping issues would be addressed by the International Maritime Organization, and economic development issues would be delegated to the AEC and Arctic Circle. Under this structure, the Council would be the convener, provide oversight, establish priority issues, and serve as the repository of Arctic assessments and policy recommendations but the actual implementation of policies would be housed in the implementing organizations themselves. The Arctic Council Secretariat would serve as the central coordination and communication hub. The Arctic Council members would establish overarching Arctic policy priorities and work within these various forums to implement policy changes. The working groups would serve as steering committees to these organizations, in essence creating proactive Arctic subgroups or caucuses within key international organizations. By subdividing or outsourcing implementation to other organizations but ensuring that the Arctic Council and the permanent participants remain at the policy center of all Arctic issues, the Arctic Council becomes more global and multilateral in perspective, thereby reducing both the inherent tension between Arctic and non-Arctic states and concerns about growing numbers of observers. Additionally, the Council becomes more stakeholder focused and more instrumental by coordinating initiatives driven by individual states and newly empowered institutions. Issues will be managed at the multilateral institutions where they arise, leading to a more global approach.

²⁵ Arctic Economic Council, “Our Work,” updated September 1, 2015, <http://www.arctic-council.org/index.php/en/our-work2/8-news-and-events/195-aec-2>.

This subdividing Arctic responsibility strategy will go a long way toward untangling the internal structure of the Arctic Council. Lines of communication to engage Arctic organizations will be improved. The connection between these organizations and the Arctic Council will be codified and strengthened, resulting in a globally networked Arctic diplomatic structure. This new structure will ensure that issues such as economics, maritime safety, and scientific research will be addressed by the most appropriate international organization or instrument. Additionally, the structure clarifies where stakeholders, such as the private sector, can become directly involved in the Arctic Council's structure. For example, those parties interested in furthering the Council's economic agenda would direct its efforts to the AEC under the Sustainable Development Working Group. The Arctic Coast Guard Forum would directly report to the Arctic Marine Environment Working Group and implement the two international agreements.

A subdivided structure requires highly confident Arctic Council members and permanent participants that would support implementing initiatives while agreeing to a more robust coordination function under more proactive steering groups. Streamlining the Arctic Council's inter-organizational dynamic is vital as the future agenda of the Arctic Council significantly expands and its current mandate constrains its ability to fully respond to an enlarged agenda. This new structure, however, would maintain the Arctic Council's centrality as entities that are created beyond the mandate of the Arctic Council grow.

A New Architectural Design: “Arctic Security and Cooperation Organization (ASCO)”

The final and most ambitious reform strategy is one that calls for a new architectural design. Under such a strategy, the Arctic Council recognizes that a changing geopolitical climate and the rapid rise of new cross-cutting issues overwhelm the current structure. The Arctic Council cannot keep up with the increased global demand for participation by outside stakeholders and an enlarged agenda. As a result, a new institutional design is required and modeled along the lines of the Organization for Security and Co-operation in Europe (OSCE). Under this new “Arctic OSCE-like” structure, there will be three baskets covering three major issues—an “economic dimension,” a “human dimension,” and a “security dimension.” The economic dimension would explore all sustainable economic issues including energy development, mineral resource exploration and extraction, transshipping, fisheries management, ecotourism, and infrastructure development. The AEC will be the lead institutional body of this basket and would be charged with fostering business-to-business linkages across the Arctic region and globally. The human dimension, the central and founding mission of the Arctic Council, would address all social and societal issues related to the 4 million people who live in the Arctic. Arctic health and health-surveillance activities, sociological issues, preservation of indigenous language, and traditional knowledge and cultural heritage would be the focus of this dimension while allowing critical interaction with the other baskets. The third dimension, which is currently lacking and represents a relatively new challenge to the Arctic, is one designed to address a range of hard and soft security issues. From search and rescue and oil spill response to ensuring greater transparency and

confidence building in Arctic military exercises, this dimension was rejected in 1996 in the heady days of the post-Cold War era. That period has now ended and more engagement in this arena through bodies such as the newly created Arctic Coast Guard Forum is urgently needed. Unfortunately, it is strictly forbidden under the Ottawa Declaration.

Although an extraordinary amount of political will and diplomatic energy would be needed—and does not exist currently—adopting an OSCE-like structure has several benefits. The Arctic Council could grow and accommodate new and existing stakeholders who would actively engage in all three dimensions. Equal participation in all three baskets is important for maintaining balance in the Council’s work. Most importantly, this new structure recognizes the increasing security concerns in the region. An annual Arctic Coast Guard Forum (ACGF) is the ideal platform to discuss these challenges. The first installment of this forum was launched in the fall of 2015 in New London, Connecticut, where the United States, in cooperation with Russia and other Arctic Council states, focused on search and rescue capabilities and oil spill response and prevention in the Arctic. This is an important multilateral vehicle to maintain contact with the Russian Federal Security Bureau (FSB) while bilateral military contacts are currently suspended indefinitely.²⁶ As one of their first actions under the security dimension, the eight Arctic states should begin to negotiate a nonbinding political statement to serve as a *Declaration of Military Conduct in the Arctic* in line with the current OSCE’s confidence-building measures. This declaration would outline provisions to include mandatory notification by every country 21 days in advance of major military exercises (25,000 forces and above) and the requirement that the eight Arctic states be invited as observers to these exercises. Each year the eight Arctic states would submit an annual military exercise plan and update their emergency contact and communication information. Each nation would agree that all aircraft would have operational transponders sending appropriate electronic signaling when in flight. Another activity could be to cooperate to update hydrographic charting in the Arctic, share weather-forecasting information, and enhance navigational aids.²⁷

The Arctic Council is effectively preparing for its next 20 years and establishing itself as a more proactive and balanced institution as opposed to a relatively unknown and environmentally focused body. One of the major benefits of a balanced structure is the potential for stronger engagement with Russia. The economic basket, where interest is high, should be the building block for expanding activities into the other two baskets. Opportunities should be identified to strengthen regional economic ties.²⁸

Of course there are immense hurdles to such a comprehensive structural reform. Implementing a new structure would require a new mandate and a reorganization of the entire Arctic Council. Another element that would impede the establishment of this new structure is new financial requirements, which could be offset if the burden is more

²⁶ Heather A. Conley and Caroline Rohloff, *The New Ice Curtain: Russia’s Strategic Reach to the Arctic* (Washington, DC, CSIS, August 2015), xv, http://csis.org/files/publication/150826_Conley_NewIceCurtain_Web.pdf.

²⁷ *Ibid.*, xvi.

²⁸ *Ibid.*

widely shared with new stakeholders. The Arctic Council would also leave behind its environment and scientific origins to become a more geopolitically responsive organization. It is fitting that the upcoming Finnish chairmanship (2017–2019) consider an organizational structure such as an Arctic Security and Cooperation Organization (ASCO), as the OSCE of today was first formulated in 1975 in Helsinki, Finland, as the Helsinki Final Act.

The question is will the Arctic Council think anew before or after a precipitating crisis in the Arctic, or if tensions with Russia continue to erode the cooperative environment?

Conclusion

The rapid and transformational changes occurring in the Arctic today will continue to challenge the Arctic Council. New issues are continuously emerging and new stakeholders seek out Arctic environmental, economic, legal, and security interests. The Arctic Council has successfully lived up to its mandate as a cooperative forum promoting environmental protection and to a much lesser extent, sustainable development. While the environmental dimension of the Arctic Council's work will command the majority of the Council's attention in the future, issues such as economic development and security will test its adaptability.

It is clear that the Arctic Council suffers from structural deficiencies as numerous task forces and experts groups attest, and Arctic Council members must decide whether to defer governance maintenance, attempt some repair of existing structures, outsource policy implementation, or seek a new design plan. There are benefits and costs to each approach. The most likely political outcome unfortunately is simply muddling through: study the matter and potentially adopt inconsequential reforms out of fear that long-term comprehensive reforms will reorder the preferred status quo.

Trapped in a cycle of reactive, ad hoc measures designed to address the present as opposed to taking proactive measures to address challenges of the future, the centrality of the Arctic Council will be diminished over time. However, setting a positive and proactive reform agenda will establish a new, higher standard for Arctic governance and stewardship and will preserve the Arctic Council's standing as the lead institution on all Arctic issues, making it responsible for establishing international norms and policies to govern increasingly complex and interrelated issues. The Arctic Council will command the influence to convene the most prominent stakeholders from both the public and private sectors under prioritized policies, and in doing so, the region will be viewed as a global Arctic characterized by strong cooperation as opposed to strictly a regional domain diminished in stature and defined by competition.

About the Authors

Heather A. Conley is senior vice president for Europe, Eurasia, and the Arctic and director of the Europe Program at CSIS. Prior to joining CSIS in 2009, she served as executive director of the Office of the Chairman of the Board at the American National Red Cross. From 2001 to 2005, she served as deputy assistant secretary of state in the Bureau for European and Eurasian Affairs with responsibilities for U.S. bilateral relations with the countries of northern and central Europe. From 1994 to 2001, she was a senior associate with an international consulting firm led by former U.S. deputy secretary of state Richard L. Armitage. She began her career in the Bureau of Political-Military Affairs at the U.S. Department of State. She was selected to serve as special assistant to the coordinator of U.S. assistance to the newly independent states of the former Soviet Union. Ms. Conley is a member of the World Economic Forum's Global Agenda Council on the Arctic and is frequently featured as a foreign policy analyst on CNN, MSNBC, BBC, NPR, and PBS. She received her B.A. in international studies from West Virginia Wesleyan College and her M.A. in international relations from the Johns Hopkins University School of Advanced International Studies (SAIS).

Matthew Melino is a research associate with the CSIS Europe Program, where he provides research and program support on a range of issues, including developments in the Arctic, security and defense trends in northern Europe, and the evolution of NATO and transatlantic relations. Previously he served as a research assistant with the CSIS Europe Program, analyzing political, economic, and security developments across the euro zone. Mr. Melino has also worked with the U.S. Department of State on issues of conflict prevention and crisis response. He received his B.A. in government from Franklin & Marshall College and his M.A. in international relations and international economics from the Johns Hopkins University School of Advanced International Studies (SAIS).

COVER PHOTO -PIXEL -/FLICKR

CSIS | CENTER FOR STRATEGIC &
INTERNATIONAL STUDIES

1616 Rhode Island Avenue NW
Washington, DC 20036
202 887 0200 | www.csis.org