Russia in the Arctic: Ambitions and Constraints

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Everything that happens in the North is of particular interest and value to us. And that is even before considering the development of the Northern Sea Route. Overall, our future lies in this area....In the coming decades Russia’s growth will come from the Arctic and the North. This is absolutely clear to see.

- Vladimir Putin

Introduction

Russia is the dominant power in the Arctic because it has the longest coastline (53 per cent), the largest population, the most economic activity and the largest military presence north of the Arctic Circle. The aim of this paper is to provide a survey of Russia’s current policy on the Arctic in its military, political and economic dimensions, and in an international context It addresses a number of important issues: (a) how the division of the Arctic is likely to proceed following Russia’s violation of international law by its annexation of Crimea in 2014; (b) how the increased military tension in Europe might affect the Arctic region, especially with regard to Russia’s relations with Norway, its North Atlantic Treaty Organization (NATO) member neighbour; (c) Russia’s economic resources and ambitions in the Arctic and the constraints and problems it is encountering; (d) whether the hopes Russia pins on the Northern Sea Route (NSR) are justified; (e) how Russia is addressing the effects of economic activity and global warming on the Arctic environment; and (f) how Russia’s ambitions and needs in the Arctic are reflected in international cooperation forums, primarily the Arctic Council. The Arctic is defined as the region north of the Arctic Circle and Russia as its state officials.

Dividing the Arctic Ocean

Russia has been a signatory to the UN Convention on the Law of the Sea (UNCLOS) since 2001, and consistently hails its principles, not least the rules on how to divide the Arctic Ocean among the littoral states into exclusive economic zones (EEZ), and rights to the mineral resources below the seabed. On the strength of these rules, it claims that the Lomonosov and Mendeleyev ridges are extensions of the Siberian continental shelf, giving it a more than 1.2 million km² EEZ in the Arctic Ocean that includes the North Pole. The Russian claim has been underpinned by several expeditions to take geological samples, partly with naval research vessels, military exercises and the planting of a Russian flag at the North Pole in 2007. In 2019 Russia expressed confidence that its claim had been accepted by the UN Commission on the Limits of the Continental Shelf (Staalesen, 28 Nov. 2019). In March 2021 two further submissions were made concerning the Gakkel Ridge, among other things (Goble, 24 April 2021).

However, the Russian claims overlap with those of Canada and Denmark (concerning Greenland) near the North Pole; and the Commission only rules on the geological data presented to it and does not define borders, which must be agreed by the Arctic
states. The question is whether Russia is open to compromise, as it was in the agreement on the sea border it concluded with Norway in 2010. This agreement has since been criticized by various politicians and scholars in Russia. Russia annexed territory from Georgia in 2008 and Ukraine in 2014 in violation of international law, and has announced that its laws are superior to international law. In 2020, state-employed lawyers asserted that Russia does not need UN approval for its claims and could simply declare the Arctic seabed Russian and act accordingly (Goble, 24 April 2021). This would further undermine international law, set a dangerous precedent for other states and increase tensions with NATO members.

Military assets and ambitions

While NATO has very few permanent military forces stationed in the Arctic Ocean, Russia has its biggest fleet there, mainly based at the ice-free Kola peninsula. Since 2021 the Northern Fleet has been Russia’s fifth military district, covering its European Arctic regions which formerly belonged to the Western military district, and including army and air forces. The fleet shrank by half in the turbulent 1990s but has since undergone modernization (Klimenko, 2016, 17 ff). Most important are the nuclear-powered strategic ballistic missile submarines (six in 2019) and attack submarines (41 altogether), which are being replaced with new types or equipped with modern weapons. The fleet also comprises about 37 surface ships, among which are the aircraft carrier Admiral Kuznetsov, two nuclear-powered cruisers, and a number of destroyers, anti-submarine warfare (ASW) and landing ships, new frigates and patrol icebreakers (Klimenko, 2016, 3 ff; Staalesen, 6 Dec. 2019). According to Mathieu Boulègue, a research fellow at Chatham House, however, just seven or eight nuclear-powered submarines are operational, the renewal programmes have been extremely costly and long-delayed, and the ageing aircraft carrier has suffered serious incidents (Boulègue, 2019 19 ff; Staalesen, 10 Jan. 2020).3

Russia’s first military priority in the Arctic is to protect its strategic submarines, which are mainly based on the Kola peninsula, by building an air defence (Anti-Access/Area Denial, A2/AD) “bastion” equipped with advanced missile systems (Boulègue, 2019, 6 ff; Sukhankin, 16 Mar. 2020). In 2020, a decision was taken to deploy air-launched ballistic Kinzhal missiles capable of carrying nuclear warheads to the Northern Fleet (Staalesen, 16 Dec. 2020). Intercontinental missiles are regularly test-launched at targets in the Far East from submarines in the Barents Sea and land bases in the Arkhangelsk region. On the Kola peninsula, Russia has formed an Arctic Brigade with infantry units at Pechenga and Alakurtti, near the Norwegian and Finnish borders, respectively. Russia has also created three heavily armed all-year “Tricolour” bases on Novaia Zemlia, Franz Josef Land and the New Siberian Island, as well as a system of airfields and naval bases along the whole Arctic coast, partly to be able to conduct search and rescue operations (Rainsford, 19 May 2021). Exercises, including by Chechen special units, are frequently held at the Arctic bases and on the polar ice. Both Russian and

3 On the latter’s history, see Oldberg (2018), 167 ff.
Norwegian fishing in the Barents Sea is often disturbed. The Northern Fleet held several exercises close to the Norwegian and Finnish borders in connection with the Zapad 2021 exercise, which was the largest in Europe for 40 years (Nilsen, 15 Sep. 2021).

The Kola bastion also aims to secure access to the North Atlantic and beyond for the Northern Fleet. Long-range strategic bombers have been carrying out patrols along the Arctic Coast and over the North Atlantic since 2007. Russian operations around the gap between the United Kingdom and Greenland (GIUK) are seen by NATO as a threat to its sea lines of communication across the Atlantic and to its carrier groups (Boulègue, 2019, 8 ff.).

The Russian Defence Ministry controls the Russian Arctic together with the Federal Security Service (FSB), which is responsible for border troops and the Coastguard, and has established a counterterrorism centre in the region. Large parts of the Russian Arctic, especially the Kola peninsula, are thus militarized and off-limits to Western visitors, which creates problems for economic cooperation and scientific activities.

Military relations with NATO and Norway

The reason behind Russia’s military build-up is a perceived growing threat from NATO, which it claims covets Russia’s rich natural resources in the Arctic. Thanks to global warming, which is especially fast in the region, and the receding polar ice, these resources have become more accessible. At the same time, Russia’s Northern Sea Route has also become more militarily exposed and the Russian submarines hiding under the ice more vulnerable to detection and attack (Boulègue, 2019, 12). Since the 1980s, there have been accidents with nuclear submarines and missiles in and around the Barents Sea, causing casualties and environmental hazards (Nilsen, 11 Dec. 2019).

As Russia’s closest NATO neighbour in the Arctic West, Norway plays a prominent role here. In response to Russian interventions in Ukraine and the Russian military build-up in the Arctic, US marines were stationed near Trondheim and in Inner Troms in 2017, and deals were made in 2020 allowing the US Navy to build infrastructure at Evenes airport and Ramsund naval station, and for the purchase of new patrol aircraft by Norway (Wilhelmsen & Gjerde, 2018, 4; Staalesen, 2 Mar. 2020; Nilsen, 16 Apr. 2021). Since 2006, Norway has held regular Cold Response NATO exercises in Southern Troms and Finnmark, several hundred kilometres from the Russian border. Swedish and Finnish units were included in 2020, and over 50,000 personnel from 31 countries took part in 2019 (Staalesen, 16 Jan. 2020). The 2022 exercise is planned to be the largest within the Arctic Circle since the end of the Cold War (Nilsen, 14 Apr. 2021). In 2020, the US Navy sailed into the Barents Sea and north of the Kola peninsula for the first time since the 1980s: first with a British ship, and then also with a Norwegian ship. A US aircraft carrier anchored at Tromsö in 2021 (Nilsen, 8 Sep. 2020, 1 Dec. 2020), A Norwegian Coastguard vessel sailed to Canada far north of Siberia in October 2020 (Nilsen, 30 Oct. 2020). Norway’s new Arctic strategy proclaims that NATO is a cornerstone of its security, and of its defence and deterrence policy, and that
NATO’s responsibility extends to the North Pole (Huntington, 2021, 5).

In response to the NATO exercises, the Russian Northern Fleet has repeatedly closed-off parts of the Norwegian Sea for its own exercises, disrupted GPS signals and simulated air attacks on Norwegian targets, notably the powerful radar station at Vardö close to the Russian border (Nilsen, 14 Apr. 2021). The Northern Fleet commander, Aleksandr Moiseyev, has condemned the US military presence in Norway, warning that Russia is “ready to give adequate response” to any hostile actions (Litovkin, 17 May 2021).

However, official Norwegian policy vis-à-vis Russia is to balance deterrence with reassurance. Thus, Norway continues not to permit permanent NATO bases or the stationing of nuclear weapons on its territory. All exercises are held far away from the Russian border and Russian observers are invited. There is also a hotline between military headquarters at Bodø and Russia’s Northern Fleet. In the past, the Norwegian and Russian navies have conducted joint exercises and visited each other’s bases (Nilsen, 30 Oct. 2020, 14 Apr. 2021).

Nonetheless, in 2014 Norway joined the EU and NATO’s sanctions against Russia following its aggression against Ukraine, and mutual trade and border traffic diminished. However, leaders continued to meet at international conferences and Russian Foreign Minister Sergei Lavrov has repeatedly visited Norway. In 2019, on the occasion of the 75th anniversary of the Red Army’s liberation of Eastern Finnmark, Lavrov welcomed the fact that the bilateral Intergovernmental Economic Commission had resumed its work but described political relations as unstable, blaming NATO for using Norwegian territory more often and accusing Norway of breaking its promise on no foreign deployment (MID, 24 Oct. 2019). In 2020, Lavrov’s press secretary briefed that Norway “can no longer continue its two-track policy” and is becoming NATO’s foothold in the Arctic. She claimed that the Norwegian people were being deliberately misinformed about Russian initiatives (Staalesen, 23 Nov. 2020; Nilsen, 1 Dec. 2020).

A special case is the Svalbard Archipelago, which belongs to Norway but where signatories of the Svalbard Treaty of 1920 are entitled to carry out economic activities. Russia has long been the only foreign state to do this, mainly by operating a coal mine at Barentsburg. Nonetheless, Russia complains of environmental restrictions on its activities and accuses Norway’s (scientific) radar and satellite stations there of being part of NATO’s intelligence network, in violation of the Svalbard Treaty which forbids military fortifications and activities (Boulègue, 2019, 27). When Russia for its part used Longyearbyen airport in 2016 to transport troops to exercises at the Barneo ice-camp near the North Pole, Norway introduced flight restrictions. The ice-camp was cancelled in 2019, and again in 2020 and Norway’s destiny rests on a safe and secure Russia, and that it would be wiser so sustain a US naval presence from bases further south in Norway (Nilsen, 1 Dec. 2020; Holtsmark, 2021).

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4 The Russian view is of course debated in Norway. An opinion poll in 2020 showed that a slim majority preferred good economic relations with Russia to a tough attitude (NUPI 2021). Lt Colonel Tormod Heier at the Defence Research College (FFI) argues that...
2021 due to the COVID-19 pandemic (Nilsen, 19 Mar. 2020; Barneo Ice Camp).

Since the 1970s, Russia and Norway have cooperated well on fishing quotas in the Barents Sea and have an agreement on the exclusive economic zones. However, Russia (along with other states) does not recognize Norway's Fishery Protection Zone around Svalbard, which extends its exclusive economic zone. There have been several incidents of Russian vessels fishing inside the zone (Boulègue, 2019, 27). In 2020, for instance, the captain of a trawler paid a fine and lost his catch, thereby avoiding forced escort to a Norwegian port, but Foreign Minister Lavrov later lodged an official protest and called for consultations (Staalesen, 22 Apr. 2020). The Russian consul in the Russian-inhabited town of Barentsburg stated that Russia would never leave the islands, “Spitsbergen is also our land, covered by the sweat and blood of our ancestors” (Staalesen, 22 Apr. 2020). Lavrov stated that Svalbard remained a priority for Russia and that Russia had long-term plans to strengthen and diversify its economic activities there (MID, 24 Oct. 2019; Staalesen, 14 Oct. 2020). Since 2020, economic control over and responsibility for the NSR has been exercised by Rosatom (on account of the existence of nuclear reactors) in cooperation with the state-owned energy companies Gazprom and Rosneft.

Economic development in the Russian Arctic

The Arctic has been a priority for Russian economic development since the start of this century and global warming is expected to make its enormous resources of petroleum and minerals, which are mostly located on land or near the Arctic coast, more accessible. These already account for around 20 per cent of Russia’s export revenues. Moreover, about one-third of all the fish harvested in Russia come from Arctic waters (Rumer et al. 2021, 4). Specific Arctic strategies and plans have been formulated, and Russia’s high-level Security Council has created a separate Arctic Commission (Sukhankin, 8 May 2020; Staalesen, 14 Oct. 2020). Since 2020, economic control over and responsibility for the NSR has been exercised by Rosatom (on account of the existence of nuclear reactors) in cooperation with the state-owned energy companies Gazprom and Rosneft.

Since the 1960s, discoveries of some of the world’s largest deposits of natural gas have been regularly made on the Yamal peninsula and in the Ob estuary, The Nordstream 1 and 2 gas pipelines under the Baltic Sea – over which the largest state-controlled gas company, Gazprom, has exclusive rights – have been constructed to export natural gas to Europe. Major Russian companies are also engaged in extracting oil west of Yamal for transhipment to Murmansk (Lukoil, Gazprom, Neft), and oil and coal at the Russian Arctic today, with 62 reactors, from submarines to surface ships, icebreakers and two on-shore and one floating power plants (Nilsen, 11 Dec. 2019).

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5 Unless otherwise stated, this and the following sections build on the informative analysis of the geographer, Alf Brodin, “Extraction along the Northern Sea Route in Arctic Russia”.

6 According to a Norwegian analysis there are 39 nuclear-powered vessels or installations in the

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mouth of the Yenisey river. Rosneft plans to drill 6500 oil wells and lay 800 km of pipeline at the Taimyr peninsula, and to build a new port, two airports and 14 towns for 400 000 oil workers. This expansion of production runs against the goals of the 2015 Paris Climate Agreement and threatens the livelihoods of nomadic tribes on the tundra (Laurén 2021a).

In the long term, however, oil, gas and coal face long-term problems of sinking demand and declining prices on world markets. The US shale revolution and the EU’s plans to prioritize diversification away from gas supplies have put Russian plans to develop the huge Shtokman field in the Barents Sea on hold. Accessing the Arctic shelf deposits will require significant investment and only the largest fields warrant exploitation. When Russia attacked Ukraine in 2014, EU and US sanctions targeted deep-water offshore projects in Russia, as well as equipment, technology and financing. The US ExxonMobil was forced to stop drilling in the Kara Sea and Rosneft halted that project. The only offshore project to continue was development of the Prirazlomnoe field, using an old Norwegian oil rig in the shallow Pechora Sea (Klimenko, 2016, 7 f). In 2019, Deputy Prime Minister Iuriy Trutnev argued against the Russian monopoly on the shelf, proposing that foreign companies should be offered minority shares in order to speed up the drilling. Rosneft retorted that the Arctic remained a highly important strategic region and cautioned against any liberalization of the shelf. In 2018 two Russian and two Chinese rigs successfully drilled for gas in the Kara Sea (Staalesen, 20 Aug. 2019).

On land, Russia’s biggest private sector gas company, Novatek, in 2017 started to produce natural gas on the Yamal peninsula and to export it in frozen liquefied form (LNG) using special tankers. This means that it can choose its markets and is not bound to a specific market by a fixed pipeline. LNG is a more expensive fuel than oil, however, since compression and cooling consumes one-fifth of the energy content, and all the technical equipment required must be imported.

Novatek today has a 50.1 per cent stake in the Yamal LNG project, while Chinese companies hold 30 per cent and the French energy company Total a 20 per cent stake. Since 2014, 15 specially reinforced LNG vessels have been built for and leased to Novatek by Daewoo in South Korea, but these are staffed mainly by Russians. Since the ships have to be heavily reinforced to operate as icebreakers, they are 40 per cent more expensive than standard ships of the same size. In order to conserve them, the gas is transloaded to conventional LNG carriers at both ends of the journey – first in northern Norway (now at Murmansk) and outside Kamchatka respectfully (Staalesen, 5 Aug. 2020). To find a permanent solution, an order for two huge transhipment terminals on barges, with an option for two more, was placed with Daewoo in 2020, to be delivered by 2022, at a cost of $666 million. Another problem is that the price of outdoor temperatures does save some energy (Brodin, 2021, 18). In 2020, Novatek experienced problems with brittle Russian pipes at one LNG factory (Diatel, 21 Jan. 2020).

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8 It was boarded by Greenpeace in 2013, which led to multiple arrests and a trial.
9 LNG at -168 degrees is very demanding on pipeline materials and pumps, although freezing gas in low
chartering the vessels rises in line with the price of LNG on the world market (Brodin, 2021, 10 ff). The Yamal LNG project reached full capacity in 2019; 17 million tonnes is now being shipped annually from the port of Sabetta, mostly to Japan, China and South Korea.

In 2017 another project, the Arctic LNG 2, was launched by Novatek and foreign investors at an estimated cost of around US$ 21 billion. Three condensing plants are to be constructed, new ports on the Ob estuary are being dredged, and pipelines between wells are being laid. Novatek expects to ship 80 per cent of its gas production to Asian customers by 2023. The Arctic LNG 2 project will be partly financed by foreign investors but use much more Russian-produced equipment in order to circumvent sanctions and promote domestic industry. An order for 15 LNG vessels for this project went to the new Zvezda shipyard near Vladivostok. Russia has no experience of building these vessels, however, so South Korea’s Samsung was subcontracted to build the first five at a price of US$ 1 billion, and to provide extensive technical support with the building of the next five (Brodin, 2021, 17 ff).

For obvious reasons Russia has long been the world leader in the building and use of icebreakers, especially when it comes to nuclear-powered vessels (of which it currently has five). In 2013 the Baltic Shipyard in St Petersburg received an order to build three copies of Arktika, the world’s largest reactor-driven icebreaker, and the procurement of two more was announced in 2017. Moreover, in 2020 Rosatomflot placed an order for another three nuclear-powered icebreakers that would be twice as strong (210 MW) for delivery before 2035. However, there have been many delays and serious cost overruns in delivering the first Arktikas (Goble, 29 Sep. 2020). The cost of the final two is estimated at US$ 700 million each and no shipyard has been identified. Furthermore, to ensure efficient shipbuilding at Zvezda, Russia had to order six self-propelled modular transport platforms and cranes from China (Brodin, 2021, 14⁠-⁠19.

Russia – like Western states – has started to worry about Chinese competition. China calls itself a near-Arctic state and has launched two of its own icebreakers, one of which made an Arctic expedition in 2020. It is currently constructing a third, as well as numerous support ships. As a result, Chinese shippers may no longer have to rely on Russian icebreakers, saving money and reducing Russia’s income. Moreover, Beijing has announced that it will build its own docks at Murmansk, Sabetta, Arkhangelsk, Tiksi and Uzden. Russian ports are still unable to handle large volumes of goods, containers in particular (Goble, 6 May 2021, Staalesen, 16 July 2020).

Perhaps in response – but without acknowledging it – Putin in June 2021 signed a law prohibiting the use of ships manufactured abroad on the NSR unless they have been produced for Russian firms or had been delivered before the law was enacted. The intention is apparently to

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10 Stronger icebreakers do not solve all the problems. The escorted cargo ships must not be broader and must also be ice-strengthened so they can break new ice, which can quickly form even at low temperatures, especially in the low salinity and still water of rivers (Brodin, 2021, 15).
promote the Russian shipbuilding industry, but the state must still find investors and put pressure on foreign yards to open branches in Russia. In the short term this law could reduce trade along the NSR, but it will circumvent Western trade sanctions, as these cannot halt Russian ships (Goble, 7 June 2021). The question remains how this will affect growing Chinese traffic in the Arctic.

The option of transporting petroleum overland presents major problems in the Arctic due to the long distances and harsh climate. The nearest railway, from Yamal to Salekhard, is over 1000 km away (Brodin, 2021, 4 ff). The Northern Latitudinal Railway is still under construction. It is intended to connect Yamal and other energy centres with the national rail network and provide year round back-up for the NSR (President of Russia, 9 Apr. 2019, 2).11

The Northern Sea Route

As noted above the Northern Sea Route, stretching 5600 km along Russia’s Arctic coast between Novaia Zemlia and the Bering Strait, will play a crucial role in Russia’s development of the Arctic. The route has been used at least since Soviet times to supply the settlements along the coast and promote the Siberian rivers during the summer (Severnyi zavoz). Thanks to global warming, however, there are now prospects for more trade with expanding East Asian markets using this route. A number of ports have been built or reconstructed along the coast in the past 20 years in order to provide services.

Traffic levels have risen particularly fast in recent years. In 2019, 31.5 million tonnes of goods was transported along the NSR, an increase of 56.7 per cent on 2018 and 430 per cent on 2016. More than 300 ships used the NSR in 2020, compared to 60 in 2019; of these, 30 were LNG carriers in 2020 compared to four in 2018. Most of the cargo was natural gas (41 million tonnes), coal (23 million tonnes), oil (17 million tonnes) and metals (3.3 million tonnes) (Staalesen, 19 May 2020; Brodin, 2021, 3, Sukhankin, 8 May 2020).

In 2019, Russia’s first floating nuclear power plant, Akademik Lomonosov, was towed from St Petersburg to Pevek in easternmost Siberia to provide electricity and heating for the town, replacing an old nuclear power plant (Staalesen 4 July 2019). Record temperatures in the summer led to the longest ice-free sailing period so far, from August to the end of October. In January 2021, two LNG containers sailed from Yamal Silk Road to Europe. The main problem was that the port of Arkhangelsk on the river Dvina is not deep enough for large container ships and would need costly dredging. Therefore, new plans were made to extend the railway by 500 km from near Arkhangelsk up to a new deepwater port at Indiga by the Barents Sea (Barentkomur), which meant still higher costs (Nilsen, 27 May 2020; Sukhankin, 17 July 2019, www.Belkomur.com).

12 Greenpeace calls it a “Chernobyl on ice” (Jönsson, 17 June 2021).
to the Bering Strait without icebreaker assistance, although one of them damaged a propeller. Even a 100-year old bark travelled the entire route. Most of the ships, however, sailed to and from the Ob delta, which includes the Jamal peninsula, and 80 per cent were Russian (Brodin, 2021, 6, 20).

In 2018, Putin set a target that at least 80 million tonnes of goods should be transported along the NSR by 2024 and 160 million tonnes by 2035. However, this seems unrealistic since it depends to a large extent on the level of oil and gas extraction. In 2020, Russian oil and gas extraction fell for the first time since 2008 – by 8.6 per cent and 6.2 per cent respectively, partly due to an agreement with OPEC (Nilsen, 5 Jan. 2021). In 2020 only 62 out of 331 ships travelled the entire NSR, carrying 26 million tonnes (Rumer, 2021, 5). In order to reach the target of 80 million tonnes a year, the authorities have moved to redefine the NSR as the Northern Sea Transport Corridor by also including the Barents Sea, where there is the most traffic, and the Bering Sea east of Siberia in the concept (Goble, 22 Jan. 2019; Staalesen, 19 May 2020). According to one source, the goal has since been reduced to 60 million tonnes a year (Vidal, 2021, 3).

In order to boost traffic along the NSR, Russian officials often point out that the route is 30 per cent shorter between Rotterdam and Busan in South Korea than the usual route through the Suez Canal, takes half the time and saves therefore fuel. An opportunity arose when the Suez Canal was blocked by a super container ship in March 2021 (Neveus, 31 Mar. 2021). However, one problem with the Suez comparison is that the most important factor is not time at sea but the ability to deliver “just in time” and offload quickly in port. In contrast to the Suez route, there is only one port on the NSR that can handle deep-draught container ships, Murmansk, and this port is easily congested and has long and overstretched railway connections. The other ports, especially those on the estuaries, must be deepened at great cost, and they also have very long land connections to consumer markets (Goble, 31 March 2021).

Furthermore, the NSR is unable to provide foreign ships with good IT links, meteorological and hydrological information, or search and rescue services, whereas the Suez route offers many ports and cities with such services. In 2021 Moscow announced plans to lay a fibre optic cable from Finland to Japan that would both support the NSR and provide a high-speed internet service to isolated parts of the Russian Arctic. Since the project did not receive foreign investors, the Russian state in August 2021 instead decided to finance the laying of a Russian-made cable with Chinese optics at sea from north of Murmansk to Vladivostok, 12,200 km, at an estimated cost of 900 million USD, before 2026. (Goble, 30 May 2021, Brodin, Message, 10 Aug. 2021). Truly, a huge undertaking.

Russia also charges high fees and wants full military control over the route, which could deter many Western shipowners. One solution might be to pass far north of the Russian coastal zone as the polar ice recedes in the summer, but Russian territorial claims may prevent that. The US wants the NSR to be an international sea route, as well as the
North-west Passage through Canada up to the Arctic Ocean.

Despite global warming, the Arctic climate remains harsh and changeable, which can cause far longer delays along the NSR than on the Suez route, and the sailing season is still limited to three or four months. In 2017 an icebreaker and two ships got stuck in the ice at Pevek for seven months, and Russia’s largest military ice-strengthened supply ship and an icebreaker had the same fate in the Kara Sea in 2020. The world’s second largest container company, MSC, has declared that it will never use the NSR because of environmental concerns (Brodin, 2021, 21).

Russia is therefore spending enormous amounts of public money on the extraction of gas, oil and minerals, which has become crucial for the financing of the whole economy, and on the related infrastructure, which includes ports, modern icebreakers and LNG ships. However, Russia needs foreign investment and modern technology and, in the light of sanctions from Western states, has turned to Asia. In order to reduce its dependencies, it is trying to spread the risks among China, its closest partner, as well as Japan and South Korea, which are West-oriented democracies. However, there is a risk that Russia will be unable to avoid becoming highly dependent on China, which has its own superpower ambitions – including in the Arctic.

Environmental problems

Russian reliance on fossil fuels makes it the world’s fourth-largest emitter of greenhouse gases. It is also warming faster than the rest of the planet. Most of its energy resources are found in its Arctic regions. Russia accounts for 5 per cent of the global emissions of carbon dioxide, and 45 per cent of state budget revenues are from oil exploitation (Zotééva 2019).

Oil spills occur on a regular basis. In 2019 there 10 500 incidents at oil facilities, most of them in the Arctic, but only a few were made public. In June 2021, for example, a burst oil pipeline caused massive pollution of the Kolva river in the Komi Republic. The local authorities tried to conceal information about the disaster, and Lukoil director Alekperov claimed that the ecosystem had been restored, but this was an obvious lie (Sukhankin, 26 May 2021; Britskaya 9 June 2021). The closed city of Norilsk – one of the largest cities north of the Arctic Circle, with 180,000 inhabitants – is deemed Russia’s most polluted city. It is home to Nornickel, which makes Russia the world’s leading exporter of nickel, but is also the world’s largest emitter of sulphur dioxide. In May 2020, the support structure for a reservoir belonging to Nornickel collapsed leaking more than 20,000 tonnes of diesel oil into nearby rivers (Staalesen, 4 June 2020; Laurén 2021b). The company promised to review all of its major infrastructure, but has a history of defaulting on such commitments (Sukhankin, 29 June 2020).

As noted above, the situation is exacerbated by ongoing climate change and global warming, which is especially acute in the Arctic and Siberia; for example, average winter temperatures along the Arctic coast in 2020 were five degrees higher than they were in the 1990s. In May 2020 temperatures on the Yamal and Taimyr peninsulas were 16 degrees above long-term norms (Staalesen, 2020).
25 May 2020). The sea ice extent in the Arctic reached a historic low in July, one million square km less than the previous low in Russian waters (Sevunts, 28 July 2020). A heatwave hit the Barents region in May 2021, and temperatures reached 30 degrees Celsius, over 20 degrees above the long-term norms for the time of year, and higher than the temperature in the Mediterranean at the time (Moscow Times, 20 May 2021). In June 2021 record temperatures were recorded in the Sakha Republic, reaching 48 degrees at Verkhoiansk, which had earlier been renowned for recording the world’s lowest temperatures (Quinn, 22 June 2021). These highs and lows create ice layers in the snow, which make food inaccessible for reindeer and threaten the livelihoods of the small indigenous communities on the Arctic tundra (Staalesen, 3 Mar. 2021).

Global warming has also led to enormous forest fires, some close to Moscow (Lönnqvist, 2010). In 2019 wildfires in three Siberian regions covered areas larger than Greece, and in 2021 Yakutia, the capital of Sakha, was under threat for a month (Sukhankin, 26 May 2021; Lipponen, 4 Aug. 2021).

Global warming also thaws the permafrost, which covers around 60 per cent of Russia, undermining buildings and infrastructure, and releasing huge amounts of methane gas. This may have contributed to the oil disaster near Norilsk. According to Sergei Sukhankin, all the major towns in polar Russia rest on permafrost, making them ticking time bombs (Sukhankin, 29 June 2020).

The official Russian attitude to climate change is self-serving and at best contradictory. In 2003, Putin highlighted the advantages of warming in such a cold country as Russia, such as better grain harvests. Nonetheless, he signed the 1997 Kyoto Protocol on reducing greenhouse emissions and the 2015 Paris Agreement. At the UN, Putin has admitted that climate change is one of the gravest challenges facing humanity. He vowed that Russia would cut emissions by 70–75 per cent, but this was based on 1990 levels – a year when the Soviet Union was in crisis (Fattakhov 2021).

At an international business forum in St Petersburg in 2019, attended by the four Nordic prime ministers, Putin praised Russia’s grandiose plans on the Yamal and the NSR, reassuring those present that it too wants to preserve its fragile environment. However, he maintained that the causes of global warming were still unknown, and expected the ratio between hydrocarbons and renewable sources in global energy consumption to remain the same. He noted that coal was still the most common fuel in the world and did not see “any threats” of a change (President of Russia, 2019). At a meeting with Novatek in 2021, Putin hailed its contribution to the development of “green energy” and its plans to open LNG filling stations in Europe (Staalesen, 18 May 2021). At a 2021 business forum Putin conceded that gas is a fossil fuel, but stressed that it is the cleanest of the fossil fuels, which Russia could not do without. He stated that it is not enough to reduce emissions, the absorption of greenhouse gases must also be considered and here Russia has colossal potential as it owns one-fifth of the world’s forests. He mentioned the threat of climate change to Russia and his
plans to meet it. Nonetheless, Russia continues to boost fossil fuel production in the Arctic and elsewhere, and was the only one of the world’s largest emitters not to present a new climate policy ahead of COP 26 conference as required (Moscow Times, 4 June 2021).

However, as Brodin (Mar. 2021) points out, it is not just Western states but also Asian states that are aware of the problems with fossil fuels, including natural gas, and they also plan to reduce their emissions. China recently decided to stop financing coal extraction abroad, although in 2019-2020 it built as many coal power plants as all the EU and is planning hundreds more. (Alestig, 23 Sep. 2021.) Western oil giants are extending their activities to wind and solar power. Western demand for Russia’s main exports is therefore likely to shrink in the long run, and Russia’s export income to decline. On top of this, there will be growing environmental problems in Russia as an effect of industrial production in the highly sensitive Arctic region, and of the melting of the permafrost. Russia has so far largely neglected these problems, instead prioritizing security and economic growth.

**International cooperation**

Despite tensions with the West and efforts at self-reliance, Russia, as shown above, understands that it needs international cooperation on its development in the Arctic. Thus, international conferences, such as The Arctic: Territory of Dialogue, are regularly organized to call for foreign investment and technology, and to sign agreements. At the fifth such event in 2019, President Putin praised Russia’s grandiose plans for the Arctic while reassuring his audience that it also wants to preserve its fragile environment. Putin flatly denied the existence of military tensions in the Arctic, which could disrupt economic activity, apart from alleging that NATO held the biggest exercises in the region (President of Russia, 9 Apr. 2019, 4 ff; Baev, 15 Apr. 2019).

In 2019, Russia organized the fifth Eastern Economic Forum in Vladivostok to promote its economic interests vis-à-vis China and other Asian states. Putin called for investments in the Arctic and lauded the meeting as the most fruitful ever (Sukhankin 12 Sep. 2019).

Russia is also engaged in regional interstate organizations, first and foremost the Barents Euro-Arctic Council (BEAC) and the Arctic Council (AC). These do not deal with military issues and apply the principle of consensus, which means that every member has a veto power. Russia was a founding member of the BEAC in 1993, together with its five Nordic neighbours and the European Commission. Five of Russia’s European Arctic regions, from Karelia to Komi and Nenets, are members of its Regional Council (BEAR) (Oldberg 2014). When Russia last held the BEAC chair in 2015–2017, it prioritized social and economic development, infrastructure and investments, but “with regard for” environmental norms and the interests of indigenous peoples. Among its stated guiding principles were confidence building, including “indivisible and inclusive security”, transparency and openness, and tradition. Norway’s chairmanship, which followed, prioritized healthcare and contacts between peoples. In contrast, Foreign Minister Lavrov emphasized the modernization of transport,
logistics and the environment as the main areas of BEAC, activities (MID 24 October 2019).

Russia supports projects by the other BEAC members aimed at improving the environmental and economic situation in the Russian regions, since they are largely financed by Nordic resources. Russia appreciates the fact that the number of environmental “hot spots” has been reduced from 42 to 28, among these wood three processing factories in the Arkhangelsk and Komi regions and the sewage system in Petrozavodsk (BEAC, 15 Feb. 2020, 3; Minprirody Rossii, 7 Feb 2020).

As a co-founder in 1996, Russia has even more interest in the Arctic Council, which brings together not only its Nordic neighbours, but also the US and Canada, as well as six indigenous people’s organizations as permanent participants and (since 2013) several important observer states such as China, Japan and India.13 Like the BEAC, the Arctic Council is not concerned with military issues and focuses on scientific cooperation through the publication of reports. Still, it has adopted agreements on maritime search and rescue in 2011, set up an Arctic Coast Guard Forum in 2015 and created an expert group on radiation in 2019. There is an Arctic Economic Council for business cooperation, and an agreement on preventing unregulated fishing in the Central Arctic Ocean was signed in 2018 (Nilsen, 11 Dec. 2019; Sergunin, 2021, 5).14 These agreements were reached in spite of the worsening relations between Russia and the West linked to the conflicts in Georgia and Ukraine.

When Russia assumed the Arctic Council chairmanship from Iceland in May 2021, Lavrov called the Council the leading intergovernmental platform for a “depoliticised dialogue” in the high latitudes, and hailed the adoption of its first strategic plan for the next 10 years. Lavrov wanted the Arctic to remain a territory of peace, stability and cooperation, and saw no potential for conflict there (MID, 20 May 2021 a, b). All the Council members adopted the Reykjavik Declaration, which emphasizes the importance of the Paris Agreement, and the well-being of indigenous peoples and Arctic peoples, and “noted with utmost concern” that the Arctic in 50 years had warmed by three times the global average (AC, Reykjavik Declaration 2021).

Nonetheless, the slogan for the Russian chairmanship was “Responsible management for a sustainable Arctic”, which meant improving living standards, modernizing the economy and attracting investments while “considering” the impact on the environment. Lavrov asserted that Russia intended to facilitate adaptation to climate change and to implement the Paris Agreement by relying on eco-friendly technology. He called for common efforts to improve the well-being of Arctic people, who in the Russian case are mainly ethnic Russians. To the small indigenous sidelines of the Arctic Council, this grouping has a focus on issues such as sea delimitation, shipping and fishing in Arctic waters (Kuersten, 2016; Oldberg, 2011, 36–38).

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13 The EU has not been invited as an observer, probably due to Russian opposition.
14 The latter was initiated by the Arctic Five littoral states, including Russia but excluding Sweden, Finland and Iceland. Sometimes meeting on the
communities he offered digitalization of their languages and cultural heritage (MID, 20 May 2021a, b). However, as noted above, the indigenous people of the Russian Arctic are few in numbers, dispersed and poor, often pushed around by the large energy companies in fossil-rich regions, and totally dependent on the state authorities for their participation in international councils (Oldberg, 2011, 26 ff, 47 ff).

Furthermore, despite the proclaimed depoliticized and non-military character of the Arctic Council, Lavrov used the opportunity to propose a summit of the Arctic states, which should convene in Russia, and a resumption of regular meetings between the general staffs, starting at the expert level, on maritime security, accidents, and search and rescue operations. He also lashed out at NATO programmes and actions in the Arctic, such as the "permanent" rotation-based deployment of US troops near Russia’s borders (MID, 20 May 2021a, b). At a meeting with the new US Secretary of State, Anthony Blinken, on the sidelines of the conference, Lavrov discussed general political issues and stressed that the global situation to a large extent depends on Moscow and Washington. Preparations were also made for a meeting between presidents Putin and Biden in June 2021 (MID, 20 May 2021b). China was implicitly brushed aside as less important.

One reason for Russia’s interest in the Arctic Council is that it is one of the few international organizations in which it has still been able to play a role since relations with NATO and the EU were deep-frozen in 2014. In the Arctic, military confrontation is limited and economic interests are strong, and this is where Russia can behave as a genuine great power on a par with the US. Russia is therefore keen to extend the Council’s mandate to include more security issues, so it can try to play a prominent role when it has the chair. However, all the other countries are democratic and (apart from Sweden and Finland) NATO members, so they are likely to jointly withstand Russian ambitions and to continue to dictate the agenda.

It is noteworthy that the Reykjavik Declaration expresses great concern for the Arctic and its indigenous peoples, especially in the light of the COVID-19 pandemic, but contains no text on democracy and human rights. If this were proposed by the Western democracies, Russia would halt it with its veto power, referring to the fact that the Charter does not mention these issues. Cooperation in the BEAC and the Arctic Council also suits Russia because it is in the hands of state authorities, and foreign ministries in particular. Russian officials often complain that Western environmentalists protest against Russian projects, while on the western side companies allegedly continue their work without hindrance (Staalesen, 13 May 2021), even though this is blatantly untrue. The difference is that in Russia any environmental group or civil society group that wants to criticize or influence official policy is suppressed.

**Conclusions**

Russian policy in the Arctic is currently framed by two main tendencies: global warming and the confrontation with the
West following its military interventions in Georgia and Ukraine. The ongoing division of the Arctic Ocean into economic zones by the littoral states has been spurred by the melting of the sea ice. However, Russia’s adherence to the UN Convention on the Law of the Sea and its willingness to compromise have been put in doubt by its violation of international law through these interventions and its great power ambitions.

Intensified confrontation with NATO has assisted Russia’s militarization of the Arctic, through larger and more frequent exercises on its borders and its claims to Svalbard. NATO responds with more exercises of its own and a military presence in Norway, albeit at a safe distance from Russia, which in turn leads to further Russian responses. Norway is seeking to maintain its traditional good neighbourly relations and no serious clashes have occurred so far.

Global warming has facilitated the discovery and exploitation of rich energy and mineral resources in Arctic Russia. These already play a key role in the Russian economy and its export income, and the government pins high hopes on them for the future. Oil and gas pipelines have been constructed, and LNG tankers export gas to Europe and Asia. However, there are long-term problems with plunging demand and export prices, led by the US shale revolution, EU efforts to diversify suppliers and the transition to eco-friendly fuels. Furthermore, exploring, exploiting and transporting fuels and minerals in the harsh and changeable climate of the distant Arctic regions will require huge investments, which Russia cannot manage alone. Thus, Russia was hard hit by Western sanctions on providing investment and technology for deep-sea energy projects. Instead, Russia has turned to Asian countries and now runs the risk of becoming dependent on China, the growing superpower, which is on friendly terms with Russia but also has its own ambitions in the Arctic.

The receding sea ice also facilitates traffic along the NSR, where Russia is building and dredging ports and improving services. Efforts are being made to boost traffic by arguing that it is the shortest seaway between Europe and expanding East Asian states. However, suspicion of the West induces Russia to maintain strict control of this strategic sea route. Russia also wants to profit from the traffic but cannot provide year-round services along this sparsely populated route in often difficult weather. Traffic is therefore likely to remain dominated by Russian ships, with a growing proportion of Chinese vessels.

Concerning environmental problems Russia, albeit the largest country in the world, is a major polluter of air and water, not least on account of its production of oil, gas and minerals in the Arctic. Severe accidents often go unreported and are not cleaned up. Small indigenous communities on the tundra are pushed around by the expanding activities of the energy and mineral companies.

The situation is exacerbated by global warming, which has been especially acute in the Russian Arctic and Siberia, leading to forest fires and the melting of the permafrost which undermines buildings and infrastructure, and releases methane gas in vast areas. The Russian authorities have long
ignored the problems associated with global warming, instead pushing apparent advantages, but Russia signed the Paris Agreement and recognizes the problems in principle. The regional Barents Euro-Arctic Organization prioritizes social and economic development and Russia gladly accepts environmental investments from its Nordic neighbours.

Russia, along with the US and Canada, is an active member of the Arctic Council. When Russia assumed the Chair in 2021, it praised the Council for its new agreements and saw no potential for conflict in the region. It signed a declaration that emphasizes the importance of the Paris Agreement and the well-being of indigenous peoples, but its own programme prioritized the improvement of living standards and modernizing the economy while "considering" the environment. Even though the Arctic Council does not deal with military matters, Russia took the opportunity to propose the resumption of regular talks between the Russian and US general staffs on maritime security in the Arctic, and to lash out at NATO activities in the Arctic.

Clearly, Russia is obsessed by security threats but also aware of its economic and environmental problems. There is a yawning gap between Russia's great power ambitions and genuine opportunities in a world dominated by the Western powers and China.

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Les frontières dans l'Arctique

- Frontières reconnues
- Limites équidistantes
- Revendications territoriales russes
- Limite des 200 miles (Zone économique exclusive)
- Limite minimale de la banquise à l'été 2005

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