

Arctic Council as a Regional Governance Institution

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The Arctic Council plays a vital role in the regional international relations system. It acts as a core cooperation mechanism for the Arctic states, which allows them to coordinate their efforts across a number of issue areas. Such cooperation between state and non-state actors is needed because of harsh climate conditions, a high degree of inaccessibility, underdeveloped infrastructure and difficult overall economic situation, aggravated by problems specific to indigenous communities. The article analyzes the history, evolution and transformation of the Arctic Council, tracing the progress of its institutionalization to determine its effectiveness in addressing the most pressing regional issues, such as climate change, economic development, waterways security and safety, as well as the delimitation of the Arctic Ocean. Drawing on national documents and official statements, the article also provides information on the official positions of the “Arctic Five” countries (Canada, Denmark, Norway, Russia and the United States) on their involvement in the Arctic Council as well as their views on the future of such collaboration and the forum’s potential institutionalization. The institutionalization trend has pervaded the Arctic Council’s agenda since the first ministers’ meeting in 1996. Despite several members’ reluctance to see the council as a new universal international organization responsible for dealing with the full spectrum of Arctic issues, this goal was a principle motivation behind the transformation of the 1991 Arctic Environmental Protection Strategy into the full-fledged international forum. The principal limitations of the Arctic Council lie outside of the institution’s agenda and scope. Geopolitical differences and conflicts that do not directly relate to the Arctic region, such as the conflict in Ukraine, can potentially disrupt the council’s activities. However, despite these difficulties, the forum’s concrete and depoliticized agenda facilitates cooperation among the states, which continue to engage on non-political, yet nonetheless prominent, Arctic issues.

Key words: Arctic, Arctic council, international cooperation, regional governance

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International relations in the Arctic are becoming increasingly important. Climate change, technological advancement, as well as political shift in the region’s largest country opened up a new chapter in the history of international relations in the region. The start of this new period in the Arctic’s history was marked by the abandonment of sector principle of Arctic territories and aquatic areas division, cessation of political blocks’ confrontation, and the realization of climatic challenges and opportunities facing the region.

However, disagreements, territorial disputes and even a certain degree of animosity between the “Arctic Five” (Canada, Denmark, Norway, Russia and the United States) persist. The wider geopolitical context of Russia-West relations also negatively affects the prospects of cooperation in the region.

Despite ice cap contraction and growing technological capacities, the conditions in the Arctic are a limiting factor to exploitation of its resources. With current technology there are still a large number of hindrances to navigation, fossils extraction and permanent habitation.

Furthermore, the intensification of economic activities and shipping creates additional challenges in terms of preserving the Arctic environment. The issues of ships' safety and security also become more relevant, as well as countries' sea rescue capacity. These factors increase the need for cooperation between the Arctic states, as none of them is able to solve the whole range of environmental, technological, social and economic problems alone.

In this regard, the existence of a multilateral mechanism could play a positive role in creating favorable conditions for the development of cooperation through the formation of a positive agenda, thus contributing to the settlement of existing conflicts and the resolution of pressing regional issues.

Today, the Arctic Council is an example such mechanism of coordination of the Arctic countries' regional policies. This intergovernmental forum, created in 1996, brings together eight countries: Canada, Denmark, Finland, Iceland, Norway, Russia, Sweden, and the United States. Permanent observers of the Arctic Council are the United Kingdom, Germany, Spain, the Netherlands, Poland and France. There is also the institution of temporary observers, approved by the Board for each subsequent meeting.

In addition to state actors, in the forum is regularly attended by the representatives of indigenous peoples organizations. Among the permanent participants of the Arctic Council meetings are 6 such organizations: Arctic Athabaskan Council, Aleut International Association, Gwich'in Council International, Inuit Circumpolar Council, Russian Association of Indigenous Peoples of the North, and the Saami Council. The Arctic Council is open to accession to indigenous peoples' organizations from the Arctic states, provided they are supported by a majority of the people they represent. Informational and organizational support to these organizations is provided by the Arctic Council Indigenous Peoples Secretariat.

This article analyzes the documents of the Arctic Council, adopted between 1996 and 2015 at the ministerial level as well as working groups' and Senior Arctic Officials' (SAO) documents. Member states' conceptual documents regulating their regional policies, cooperation priorities and national interests in the Arctic are also scrutinized. In order to identify the positions of Arctic states on the prospects of cooperation in the framework of the Council, as well as their interest in certain agenda items.

This approach permitted to trace the evolution of the Arctic Council agenda and to draw conclusions on the nature of institutional processes within the forum, the prospects of the Council's institutional development, while taking into account existing challenges and problems.

Arctic Council Establishment

The establishment of the Arctic Council was preceded by a series of meetings between the representatives of the eight Arctic countries, initiated by the Government of Finland. At the first meeting, held in September 1989 in Rovaniemi (Finland), the participants discussed the ecological challenges and possible joint actions to address them, agreeing to start preparatory work for the ministerial meeting of circumpolar states. This work resulted in the adoption, in July 1991, of the Arctic Environmental Protection Strategy (AEPS) prepared jointly by the representatives of the Arctic countries and a wide range of observers (both state and non-state actors, such as international organizations and NGOs) [Arctic Environmental Protection Strategy, 1991].

This document provided for the expansion of cooperation in the field of Arctic research, environmental monitoring, assessment of human impact in the region, and the implementation of measures to control and reduce emissions of major pollutants.

AEPS not only set primary directions for cooperation between the countries in the region, but also laid the foundation for the institutionalization of a multilateral cooperation mechanism. Thus, the Strategy made provisions for the establishment of multiple mechanisms, such as Arctic Monitoring and Assessment Programme (AMAP), Protection of the Arctic Marine Environment (PAME), Conservation of Arctic Flora and Fauna (CAFF), Emergency Prevention, Preparedness and Response Working Group (EPPR), all of which eventually transformed into the Arctic Council Working Groups.

The Arctic Council itself was established in 1996 with the signing of the Ottawa Declaration as a high level intergovernmental forum to facilitate cooperation, coordinated action and interaction among Arctic states, involving indigenous communities and other inhabitants of the Arctic to address common problems of the region, especially in the field of sustainable development and environmental protection.

The Arctic Council has been developing its institutional structure since its very inception. The Ottawa Declaration [Arctic Council, 1996] stipulated the main parameters of the forum's functioning, defining biennial cycle of presidencies of the participating countries, outlining the range of organizations – permanent participants of the forum, and approving the consensus-based decision-making process. The document also emphasized the continuity of the Arctic Council and the structures established under the AEPS. In addition to the established working groups, Indigenous Peoples Secretariat became a permanent fixture in the Council's structure.

The initial priority was to establish the Arctic Council as a full-fledged successor to the AEPS. The Joint Communiqué of Governments of Arctic States on the Establishment of the Arctic Council put forward three primary objectives: development and adoption of the rules of procedure for the Council, definition of its mandate and effective transition of the AEPS into the Arctic Council. Thus, the desire to institutionalize Arctic cooperation mechanisms became one of the incentives for the creation of the Arctic Council on the basis of the AEPS.

Arctic Council Work (1996–2015)

During the first years of its work the Arctic Council began to shape the basic institutional framework, laid the foundation of its agenda and outlined the range of issues for discussion at the ministerial and working group levels.

Canadian Presidency (1996–1998)

During the first Canadian presidency of 1996–1998 two SAO meetings took place. Subsequently, SAO meetings, with several exceptions, were held twice a year – a total of four times during a presidency.

At the Iqaluit meeting in September 1998, which completed a period of Canadian presidency, the ministers approved the Arctic Council Rules of Procedure [Arctic Council, 1998]. This document set procedure of the Council and SAO meetings, affirmed the establishment of working groups and task forces, as well as conferred the secretariat functions to the presiding country. According to the procedure approved by the ministers, SAO was to present a report on the activities of the Council during a two-year period to each ministerial meeting.

Also, representatives of the Arctic States noted the successful integration of the AEPS structures into the Council. In addition, sustainable development program was launched and the Sustainable Development Working Group (SDWG), composed of senior officials and representatives of organizations – permanent participants of the Council, was established. The

Iqaluit Declaration called on all participants of the Arctic Council to put forward proposals for further consideration by the SDWG [Arctic Council, 1998].

Environmental issues and the fight against pollution became the main agenda item of the forum. Iqaluit Declaration reaffirmed the commitment of the Arctic countries to limit and reduce emissions of pollutants and enhance international cooperation in this field. It was also decided to develop the Arctic Council Action Plan to Eliminate Pollution of the Arctic (ACAP), the preparation of which was entrusted to the SAO. According to the SAO instructions, the plan was to include specific measures to prevent or mitigate negative effects for the Arctic environment [Arctic Council, 1998].

The Iqaluit meeting also saw the establishment of the University of the Arctic, an international network of universities and research centers of the northern states, engaged in research of specific regional issues. The aim of the organization is the development of human capital in the region through cooperation in education and science.

United States Presidency (1998–2000)

Under the presidency of the United States (1998–2000) there were three SAO meetings, a preparatory meeting at the ministerial level, as well as the second summit of the Arctic Council taking place in Barrow (Alaska, USA).

During the American presidency SAO, along with the working groups and task forces were engaged in active work to move forward with the institution's agenda and previous commitments. In particular, the senior officials prepared and approved at a meeting in Barrow, held on October 10–11, 2000, the Arctic Council Action Plan to Eliminate Pollution of the Arctic (thus fulfilling the 1998 minister's mandate) and the Sustainable Development Framework Document [Arctic Council, 2000]. The Arctic Monitoring and Assessment Programme (AMAP) and the Conservation of Arctic Flora and Fauna (CAFF) working groups prepared a joint project to assess the impact of human activity on the Arctic climate (Arctic Climate Impact Assessment (ACIA)). ACIA Steering Committee was established in order to implement this project, which involves monitoring and evaluation of environmental change in the Arctic. The text of the Barrow Declaration urges the Arctic States to address in the study not only environmental, but also social, cultural and economic impact of human activity in the region [Arctic Council, 2000]. The results of the research conducted within the ACIA, were presented at the fourth meeting of the Arctic Council, as well as at the international scientific symposium held in November 2004 in Reykjavik (Iceland).

During the US presidency, the SDWG launched several projects on health services (tele-medicine), cooperation between children and youth of the Arctic states, cultural and ecological tourism, and support to coastal fisheries. All these initiatives were endorsed and supported by the ministers of the Arctic states at a meeting in Barrow.

In addition to the environmental concerns the ministers also touched upon the issues of emergency response cooperation during their Barrow meeting. They commended the work of the Emergency Prevention, Preparedness and Response Working Group (EPPR), particularly, its report on the analysis of the existing agreements and arrangements in this area.

Arctic Ministers noted that despite the successful integration of the AEPS structures into the Arctic Council, there was a number of overlaps between the working groups' areas of responsibility. SAO was instructed to work on the systematization working groups' and other institution's bodies' mandates. Thus, the trend towards streamlining operations and the institutionalization of the forum continued.

Finnish Presidency (2000–2002)

During the Finnish Presidency of the Arctic Council (2000–2002) four SAO meetings were held. The primary areas of the senior officials' activity during these years were: sustainable development, Arctic residents' capacity building, as well as the utilization of traditional knowledge of indigenous peoples of the North [Arctic Council, 2002]. The AMAP, CAFF, EPPR, PAME, SDWG, ACAP, continued their work and each prepared a report on its activities and plans for 2002–2004. Also, for the first time the issue of gender equality in the Arctic region was raised by the Arctic Council.

The declaration adopted at the third ministerial meeting of the Arctic states on October 9–10, 2002 in Inari (Finland), focused on the following issues: raising living conditions in the Arctic, fighting environmental pollution, biodiversity conservation and sustainable use natural resources, climate change, international cooperation, human capital development in the Arctic [Arctic Council, 2002]. The ministers also urged to continue the efforts to streamline the work of the Arctic Council and to establish cooperation with other international organizations such as the Conference of Parliamentarians of the Arctic Region, the Nordic Council, the Barents / Euro-Arctic Council, the Council of Baltic Sea States, as well as with the regional authorities in the Arctic.

Human capital development during the Finnish presidency was addressed mainly from the standpoint of sustainable development. However, other aspects of this issue area – health, gender equality, and infrastructure development, have been discussed as well. The ministers made a commitment to develop an action plan for the implementation of the Sustainable Development Framework Document adopted at the Barrow meeting in 2000.

On the fight against pollution in the region, the ministers pledged to continue to work together over the implementation and improvement of the Arctic Council Action Plan to Eliminate Pollution of the Arctic, and reaffirmed the commitment to meet of all the international standards in this area.

At the same time there were no specific commitments on climate change and biodiversity at the Inari meeting. Ministers merely expressed recognition of the importance of international cooperation on these issues and endorsed the relevant activities within CAFF and ACIA.

Icelandic Presidency (2002–2004)

Under the chairmanship of Iceland (2002–2004) four meetings of the senior officials took place. Priorities of the Arctic Council did not change significantly. SAO reported to the ministers on the progress in the area of human capital development, giving account of the Arctic Human Development Report (AHDR) initiative progress, i.e. holding the first meeting of the working committee and the establishment of the AHDR secretariat. The work continued on the expansion of scientific and educational cooperation between the Arctic countries, intensification of cooperation between the Arctic Council and the European Union in the framework of the EU Northern Dimension project as well as the preparation for the International 2007–2008 Polar Year [Arctic Council, 2004].

During the Icelandic Presidency the Arctic Council bodies addressed the issue of information and communication technologies (ICT) development in the Arctic region for the first time. However, very little attention was given to the subject in the final text of the 2004 Reykjavik ministerial declaration (24 November 2004). Instead, the ministers supported the recommendations developed by the ACIA working group to minimize the negative impact of human activity in the region as well as to promote efforts aimed at adaptation to environmental change,

intensify research and monitoring exercises in this issue area. It was decided to facilitate the dissemination of information on the activities of ACIA [Arctic Council, 2004].

In addition to the traditional elements of the agenda (climate change, pollution, biodiversity, and human capital), the Ministers touched upon the issues of financing the activities of the Arctic Council, recognizing the need to intensify «efforts to finance circumpolar cooperation» [Arctic Council, 2004]. To this end, the Council approved the creation of the Project Support Instrument, which further promoted the institutionalization of the forum.

Russian Presidency (2004–2006)

In 2004–2006 The Arctic Council was headed by Russia. During this period, five SAO meetings were held. The presidency retained the key priorities of the forum – the fight against pollution, human capital development, climate change, as well as the preparation for the 2007–2008 International Polar Year [Arctic Council, 2006].

The Ministerial meeting in Salekhard, held on 26 October 2006, marked the tenth anniversary of the forum. Salekhard Declaration, however, contained no groundbreaking and concrete commitments or decisions by the Arctic countries. The Ministers once again expressed their commitment to the protection of the Arctic environment, noting the importance of the work under the UN Framework Convention on Climate Change and the Intergovernmental Panel on Climate Change. In addition, by the Reykjavik meeting commitments regarding the ACIA recommendations were confirmed [Arctic Council, 2006].

At the same time, the ministers expanded the agenda by discussing energy issues, stressing the importance of cooperation in this field. SDWG was instructed to consider possible future initiatives in the field of energy cooperation in the Arctic.

Norwegian Presidency (2007–2009)

The Norwegian presidency of 2007–2009 held the record number of five SAO meetings. The work of the Council during this period prioritized the following topics: climate change, biodiversity, human capital development, emergency response, ocean environment research, fight against pollutants, the implementation of joint monitoring programs, as well as the results and the legacy of the International Polar Year [Arctic Council, 2009].

At the meeting in Tromsø (Norway) on 29 April 2009, the Ministers, along with the discussion of the traditional agenda items, focused on furthering energy cooperation, building on the Russian presidency's legacy. The Arctic nations pledged to cooperate with a view to preventing oil and other contaminants spills, as well as the elimination of the consequences of possible accidents of this type in the region [Arctic Council, 2009].

During the meeting it was decided to set up the task force to develop and complete negotiation by the 2011 Ministerial meeting of an international instrument on cooperation on search and rescue operations in the Arctic, and the Task Force on Short-Lived Climate Forcers (SLCF).

The summit in Tromsø also saw an important institutional decision – striving to strengthen the political role of the Arctic Council, the ministers decided to hold an additional meeting at the level of deputy ministers to coordinate the activities of the Council between ministerial meetings. In addition, it was decided to develop a plan for the Arctic Council cooperation with external partners. The ministers also decided to further the discussion on the future institutional arrangements and modalities of the functioning of the Council [Arctic Council, 2009].

Danish Presidency (2009–2011)

During the Danish Presidency (2009–2011) four SAO meetings and the deputy ministers meeting were held. The presidency was marked by significant progress on a number of previously identified areas of work. For example, the Task Force to develop and complete negotiation of an international instrument on cooperation on search and rescue operations in the Arctic prepared a draft Agreement on Cooperation on Aeronautical and Maritime Search and Rescue in the Arctic. This agreement [Arctic Council, 2011] was approved at the ministerial meeting on 12 May 2011 in Nuuk (Greenland, Denmark) and became the first legally binding instrument negotiated under the auspices of the Arctic Council. The SLCF identified an initial priority of its activities in the researching black carbon emissions as an initial priority of its activities due to the significant role played by this type of pollutant in the Arctic region.

The Danish Presidency, carried forward the work on the traditional priorities of the Arctic Council, in particular in the field of oil spills, monitoring the Arctic climate and marine environment, as well as human capital development.

Among other notable decisions of the Nuuk summit were: the official launch of the SLCF, with the aim of conducting pilot projects in the field of reducing emissions of short-lived climate forcers in the region; the establishment of an expert group on ecosystem management; the creation of a task force for the organization and completion of the negotiations on an international instrument on cooperation on combating oil spills in the Arctic [Arctic Council, 2011].

The most important institutional decision of the ministerial meeting in Nuuk, and a momentous step towards strengthening the institutional structure of the Arctic Council was the creation of a permanent secretariat in the Norwegian city of Tromsø. Also, during the Danish Presidency a set of criteria for observer countries was established in the SAO report to the ministers. In particular, the observer countries were required to recognize sovereign rights of the Arctic states in the region, support the objectives of the Council, and be able to support regional initiatives of the Arctic Council. The report of the Senior Officials for the summit in Nuuk also contains a statement that all the decisions in the framework of the Arctic Council are an exclusive prerogative of the eight member countries, with the assistance of the Council of Permanent Participants (indigenous organizations) [Arctic Council, 2011].

Swedish Presidency (2011–2013)

During the Swedish presidency (2011–2013) four SAO meetings and a meeting of deputy ministers were held. Ministerial meeting took place on 15 May 2013 in Kiruna (Sweden). The agenda discussed at the meetings of various bodies of the Council during the Swedish presidency, was largely along the same lines with that of the previous years. At the same time, the scope of responsibilities of the Permanent Secretariat of the Council was set in the Terms of Reference of the Secretariat of the Arctic Council, adopted at the deputy ministers meeting on 15 May 2012 in Stockholm (Sweden) [Arctic Council, 2012]. The document was developed by the Task Force on Institutional Issues, created specifically for the implementation of the decisions of the Nuuk meeting.

The summit in Kiruna was marked by the finalization of the Agreement on Cooperation on Marine Oil Pollution, Preparedness and Response in the Arctic, which provides for joint measures to combat oil spills in the region, measures aimed at preventing such incidents, as well as appropriate monitoring activities [Arctic Council, 2013].

Another important decision of the Kiruna ministerial meeting was the creation of two task forces: the Scientific Cooperation Task Force (SCTF) and the Task Force to Facilitate the Circumpolar Business Forum. The latter initiative was further developed during the Cana-

dian presidency (2013–2015). The task force held regular meetings between May and December 2013 and came up with the proposition to reestablish the business forum as the Arctic Economic Council. The decision was supported by the SAO in January 2014. The main objectives of the Economic Council are to expand economic cooperation, promote business development in the region, promote the interest of the business community within the context of the Arctic Council's work. Creating such a mechanism within the Council opens a new economic dimension in the cooperation of the circumpolar states, creating synergy with the Council's traditional sustainable development agenda.

Economic cooperation is characterized as a priority area in the special *Vision for the Arctic* statement of the Eighth Ministerial Meeting in Kiruna. The document also announced exclusive decision-making rights of the eight member states' within the Council. This statement was obviously intended as a response to those concerned with the growing influence of non-Arctic states in the region [Arctic Council, 2013].

Chairmanship of Canada (2013–2015)

Canada's presidency in 2013 marked the onset of the second cycle of the Arctic Council chairmanships. Canada identified the socio-economic development, safety of navigation, stability of Arctic communities, as well as institutional strengthening of the Arctic Council as the forum's priorities for 2013–2015. Regarding the institutional development, Canada set forth the proposals to empower indigenous peoples' organizations and to enhance the efficiency of the of the Arctic Council bodies [Arctic Council, 2013].

During the foreign ministers' meeting on 24–25 April 2015 the Iqaluit declaration was adopted. It contained a number of commitments to improve living conditions and healthcare services for the inhabitants of the North, and to protect Arctic environment. In addition, it was decided to launch the implementation of the Framework for Action on Enhanced Black Carbon and Methane Emissions reductions. To ensure the control and monitoring activities in this area the ministers approved the creation of "an expert group reporting to Senior Arctic Officials." The ministers also approved Framework Plan for Cooperation on Prevention of Oil Pollution from Petroleum and Maritime Activities in the Marine Areas of the Arctic. The implementation of the provisions of this document was delegated to the working groups and the expert community stakeholders [Arctic Council, 2015].

The Canadian presidency carried forward the work on the institutional strengthening of the Arctic Council. The Ministers commended the work of the Secretariat in Tromsø, reaffirmed their commitment to the development of the existing mechanisms of the Council, and pledged to consider new approaches to facilitate permanent members' involvement therein. In order to increase the transparency of the Arctic Council institutional arrangements, the Secretariat, in collaboration with the Canadian presidency, created the Arctic Council's decisions database and the public archive of the Council's documents [Arctic Council, 2015].

United States Presidency (2015–2017)

The priorities set forth by the United States Presidency of the Arctic Council, which began in April 2015, are: economic development and improving living conditions in the region, the security of sea transport, as well as mitigating the impact of climate change on the ecosystems of the Arctic. The United States consider the presidency as an opportunity to promote their agenda and interests in the region in line with the National Strategy for the Arctic Region [United States Government, 2015].

The first SAO meeting under the US chairmanship was held on 16–17 June 2015 in Washington. The senior officials approved the forum's agenda for the next two years, and discussed the ways to further increase the efficiency, scope and inclusiveness of the Council's activities [Arctic Council, 2015].

“Arctic Five” views on the Arctic Council

Circumpolar states generally consider Arctic Council as one of the major mechanisms of cooperation in the region. Their official documents usually mention the Council and its structures in the context of expansion of mutually beneficial cooperation and to advancement of their national interests in the region. The forum is often commended as the key element of intergovernmental cooperation in the Arctic.

Russia

Principles of State Policy of the Russian Federation in the Arctic until 2020 and beyond, as well as the Strategy of the Development of the Arctic Zone and the Provision of National Security until 2020, determine strengthening bilateral and multilateral cooperation, including through the Arctic Council, good-neighborly relations with the Arctic states, the intensification of economic, scientific, technical and cultural cooperation, as well as cross-border ties, including in the field of effective management of natural resources and preservation of the environment in the Arctic as a strategic priority of the country's northern policy [Russian President, 2008].

Russia's position on the development prospects of the Arctic Council institutional development was expressed on 15 May 2013, by Foreign Minister Sergei Lavrov. He noted that the Council is on the way to becoming a full-fledged international organization, and praised the work of the Council on the creation of practical mechanisms to combat challenges and threats that exist in the Arctic.¹

USA

According to the US National Strategy for the Arctic Region, adopted in May 2013, the participation in the activities of the Arctic Council is considered as a mechanism of advancing the country's national interests in the Arctic. The document also notes the importance of the Agreement on Cooperation on Aeronautical and Maritime Search and Rescue in the Arctic and the Agreement on Cooperation on Marine Oil Pollution Preparedness and Response in the Arctic for facilitating the cooperation between the Arctic states [President of the United States, 2013].

It should be noted that both Russian and American conceptual documents on Arctic policy are significantly less detailed in what regards the national approaches to specific cooperation mechanisms of the Arctic Council, than the similar strategies of Canada or the Kingdom of Denmark (Denmark, Greenland, Faroe Islands).

Kingdom of Denmark

The Arctic Strategy of the Kingdom of Denmark for 2011–2020 is based on the provisions of the Arctic Council's declarations. Danish Kingdom declares its commitment to the norms

¹ Arctic Council is on its way to becoming an international organization – Sergey Lavrov. TASS. Available at: <http://itar-tass.com/mezhdunarodnaya-panorama/545875> (accessed 8 July 2014).

of international law and dispute resolution mechanisms, as well as international cooperation in the Arctic region, including, for the most part, within the framework of the Council [European Commission, 2011].

Canada

Canadian Arctic Foreign Policy Strategy refers to a vast array of the Arctic Council decisions and documents, including working groups' and deputy ministers level documents under each of the four priority areas of the national Arctic foreign policy (the exercise of sovereignty, economic and social development, environmental protection and improvement of management systems in the region). In addition to the statements of the importance of the Agreement on Cooperation on Aeronautical and Maritime Search and Rescue in the Arctic, the document contains references to the Council decisions in such areas as offshore mining, marine environmental protection, safety of navigation, socioeconomic well-being of the Arctic residents, etc. Attention is also given to the monitoring reports of the Council on climate change issues. Canada, according to the text of the Arctic Foreign Policy Strategy, stands ready to further cooperation in all areas of the forum's agenda, and considers the Arctic Council as a unique tool to ensure its presence in the North [Government of Canada, 2010].

During the presidency of Canada, the efforts towards broadening the agenda of the Arctic Council were intensified. At the same time, the Council's work is influenced by factors of the global geopolitical situation. For example, the representatives of Canada, together with their colleagues from the United States boycotted the meeting of the Task Force on Black Carbon and Methane (TFBCM), held in Moscow on 14–16 April 2014, over the conflict in Ukraine. This fact shows that the main challenges for the Arctic Council originate from broader geopolitical tensions rather than regional issues.

Norway

The Norwegian Government High North Strategy was published in December 2006. [Norwegian Ministry of Foreign Affairs, 2006]. Norway's Arctic Policy Report, released at the end of 2014, lays out the country's main priorities in the region [Norwegian Ministry of Foreign Affairs, 2014]. Norwegian vision for the region is based on the rule of international law of the sea as a principal mechanism for the regulation of relations of sovereignty in the Arctic Ocean. The Arctic Council is regarded as an important platform for international cooperation and interaction among the Arctic states. According to the text of the report, cooperation with Russia, as the closest neighbor of Norway, is one of the most important areas of the country's foreign policy in the region, even in the face of geopolitical tensions related to the conflict in Ukraine. Attention is given to the potential participation in the Council of non-Arctic states such as China, Japan and Republic of Korea. Norway advocates for a more active involvement of observer countries in the activities of the forum, in particular through meetings with the ministers of these states.

Key challenges for the Arctic Council

Despite the fact that the Arctic Council is a forum for cooperation on non-political matters, there are expectations that a forum bringing together representatives of the leading regional and world powers, contributes to the resolution of disputes and controversies over territories and water areas existing between the Arctic countries. There are examples of the influence of non-

Arctic agenda on the forum – during a meeting in Kiruna on 15 May 2013 the foreign ministers could not avoid the discussion of the Syrian conflict. The situation in Ukraine, as mentioned above, also had its impact on the activities of the TFBCM, as well as on a number of other events during the Canadian presidency (2013–2015).

Thus, there is a contradiction between the expectations regarding the potential role of the forum, its thematic and regional focus and its capabilities with the current membership structure. The positive assessment of the current agenda and activities of the Arctic Council by the member states, as well as the absence of any other grounds for a peaceful resolution of territorial disputes despite the UN Convention on the Law of the Sea of 1982, however, does not give reason to expect a significant shift of the Council's agenda toward political issues. Obviously, multilateral forum cannot be regarded as an effective platform for bilateral resolution of territorial disputes. The treaty between the Russian Federation and the Kingdom of Norway on maritime delimitation and cooperation in the Barents Sea and the Arctic Ocean is one good example of successful bilateral cooperation in the region [Russian President, 2010].

Broader geopolitical context of Russia – West relations is also of great significance to the effective work of the Arctic Council. These relations are currently dominated by mutual distrust over the conflicts in Ukraine and Syria, which threatens to negatively affect the prospects of fruitful cooperation within the Council. The stabilizing factor in this context is the non-political mandate of the Arctic Council, as defined by the Ottawa Declaration, as well as a long experience of conflict-free interaction on the most pressing regional issues.

Despite the evident influence of the Ukrainian events on the overall atmosphere of work of the Arctic Council, the cooperation in many key areas did not stall. On the contrary, the Council's six working groups and four task forces, as well as the permanent secretariat continue to operate, and the mechanism of financing of projects of the Arctic Council was launched. In this context, it is difficult not to agree with the positive assessment of the Council's activities in such complex geopolitical situation [Zagorski, 2015].

Another relevant issue for the Arctic Council is the potential role of the ever expanding number of observers. At the Kiruna meeting the Council admitted China, India, Italy, Republic of Korea, Japan and Singapore as observer countries. This decision partly reflects increasing role of the Asia-Pacific region, especially China in the world politics and economics. It is only natural that such shifts in the balance of power in the world are accompanied by appropriate institutional changes. However, the Arctic Council, representing, to a large extent, a regional forum, may face a threat of «dilution» of its structure of membership, and later on, the agenda.

Ambitions of non-Arctic countries to participate in international processes in the Arctic region are based on the perception of the Arctic (similar to the Antarctic) as the common heritage of all the mankind. At the same time, the position outlined in the SAO report to the Nuuk ministerial meeting, reserving special decision-making powers of the Arctic states in the region, is the is evident of the permanent member states' intention not to allow greater involvement of observer countries in decision-making processes within the Council and to contain their regional ambitions. Thus, maintaining the status quo in regard to the number, composition and powers of the observers, the prerequisites for which are contained in the documents of the Council, it is the most likely scenario in the short to medium term.

Until now, international groupings did not participate in the work of the council. Despite this, there is a significant intersection of areas of interest and experience of joint work of the Arctic Council and the European Union, particularly in the framework of the “Northern Dimension.” However, the potential inclusion of the European Union as an observer to the Council, delayed at the Kiruna ministerial, poses a threat to the indigenous peoples' organizations, as

it could open the way for a greater number of inter-state associations and organizations and to significantly reduce their potential impact on current institution's decision-making.

Main trends in the development of the Arctic Council

There are a number of consistent trends in the institutional development of the Arctic Council and the evolution of its agenda. The trend towards increasing institutionalization of the Arctic Council, observed since its very inception in 1996, continues to this day. In fact, one of the motives of the Ottawa Declaration, marked the beginning of the Council was the attempt to institutionalize cooperation mechanisms, established under the Environmental AEPS in 1991. Since then, the structure of the Council has expanded, new working groups have been set up, the format of meetings has expanded, the number and quality of interactions between all the institution's elements have increased. The working groups became a permanent feature of the Council's structure. All of these changes have demanded the creation of a permanent secretariat. Thus, the structure of the Council and the model of the interaction between them are substantially different from the typical global governance informal forums (G7/8, G20). It is obvious that the extension of the agenda, especially in view of the creation of the Arctic Economic Council, will determine further expansion of the institutional structure of the Council.

Another trend is the relative stability of the Council's agenda, which generally focuses on environmental issues, search and rescue cooperation, and human capital development. Given the long-term character of the problems facing the Arctic countries, such stability and continuity between the subsequent presidencies seems rational. At the same time, the agenda expands not by means of adding new issues, but by developing new aspects of the traditional ones, and finding new dimensions of cooperation. For example, the discussion of economic issues and the involvement of the business community in the framework of the Arctic Economic Council may have a positive impact on the work of the Arctic Council's within its traditional priority of human capital development in the region.

The Arctic Council combines the features of both regional and global institution. On the one hand, its narrowly regional focus and limited membership of define it as a purely regional forum. However, given the importance of the Arctic in terms of impact on the global climate, international trade, as well as the strategic importance of the region and a set of economic and military powers involved, the global role of the Council is also evident. At the same time, taking into account the global interests and ambitions of the Arctic states, political differences not related to the Arctic region (in particular, tensions between Russia and the West related to the Ukrainian and Syrian conflicts), create additional risks for the continued functioning of the Arctic Council.

Despite the institution's current inability to solve many of the regional political challenges, such as territorial disputes and differences over the sovereignty of the polar waters, positive non-political agenda contributes to the atmosphere of cooperation and constructive engagement. In this regard, legally binding agreements (the Agreement on Cooperation on Aeronautical and Maritime Search and Rescue in the Arctic, the Agreement on Cooperation on Marine Oil Pollution, Preparedness and Response in the Arctic) are a clear evidence of the Arctic Council's cooperation format success. While it does not set overly ambitious political goals, the adopted model of *regional governance institution* forms the basis for the effective resolution of the current environmental, socio-economic and humanitarian problems in the region.

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