The Expert View: U.S.-Canada Arctic Leadership

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Last week, President Barack Obama and Prime Minister Justin Trudeau issued a statement spelling out their joint vision on

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climate, energy and Arctic leadership. In the wake of the announcement, we asked some experts for their views on its potential impact

When Prime Minister Justin Trudeau commented on the bilateral meeting he'd had with U.S. President Barack Obama in Washington last week, he highlighted the agreement they had reached on how best to protect – and develop – the Arctic.

"Canada and the United States share the same values, the same origins and the same space. We face many of the same challenges, and we are all better off when we tackle them together," Trudeau said in a statement.

The announcement on <u>Climate, Energy and Arctic Leadership</u> emphasized a new partnership between Canada and the U.S. that would build a sustainable Arctic economy and work toward new science-based standards for commercial fishing, low-impact shipping, sustainable development and the protection of Arctic biodiversity.

Arctic Deeply asked experts with backgrounds in Alaska policy and development, global ice navigation and polar shipping and Canadian Arctic policy about the significance of the agreement and what might come out of it. Here's what they had to say:



Nils Andreassen is the executive director of the Institute of the North. (Institute of the North)

Executive director of the Institute of the North (Twitter: @ionorth)

The National Strategy for the Arctic Region identifies the state of Alaska and tribes as partners in U.S. Arctic policy and implementation. The announcement last week on Climate, Energy and Arctic Leadership, made by the White House jointly with Canada, doesn't reflect that commitment. While Canada consulted with its domestic constituencies, it is not clear that the U.S. did. In fact, state of Alaska officials, indigenous peoples,

local governments and indigenous landowners were surprised by the announcement, as were the members

of Alaska's congressional delegation.

There are two principles that are important to consider. One, local decisions aren't necessarily "right" decisions, but distant decisions can't be considered "right" without local input. Second, local stakeholders are capable, competent and considerate of the public interest – partnership should treat all parties as leaders able to contribute to the success of a decision. Alaskans have a lot to offer that will make any action related to climate, energy and Arctic leadership better.

With that in mind, a number of component pieces of the announcement are especially critical, and provide both a challenge to subnational governments and an opportunity.

The Challenges

Methane emissions aren't created equal, nor are states, territories and their respective local governments in the benefits they derive from active and successful oil and gas development. A good first step would be to hear from subnational governments about the inequitable application of reductions; a second would be to work with industry to identify where reductions are already taking place and how those practices might be applied elsewhere. The skillful application of these and a prudent implementation conducted in concert with industry and subnational governments is appropriate, such that it mitigates the impact on local economies and state and territorial budgets compared to southern states and provinces.

A sustainable Arctic economy is one in which economic activity and growth take place at a regional and local level, spurred by small and medium enterprises and a combination of domestic and foreign investments. Investment decisions are based on return and projects must be commercially viable, and implemented consistent with regulatory systems. It is regulatory systems that are science-informed, not economies, and part of that science should reflect factors that facilitate economic activity. Uncertain, cumbersome and inefficient regulatory systems contribute to stymied Arctic economies, not sustainable ones.

The Opportunities

Subnational governments are asked to share lessons learned about the design of effective carbon pricing systems and supportive policies and measures; here is an opportunity for states and territories to develop the rules for their application (or not) in the Arctic. To this end, a joint task force should be formed, comprised of subnational government subject-matter experts and leaders from Alaska, Yukon, Northwest Territories and Nunavut for outcomes consistent with the public interest.

It is positive to hear that the U.S. and Canada will, with partners, "develop and share a plan and timeline for deploying innovative renewable energy and efficiency alternatives to diesel and advance community climate change adaptation." Quite simply, the U.S. and Canadian federal governments can invest in current plans and timelines that are in place and driven already by local leaders who are under-resourced but quite committed to these same goals. Northern states and territories have been working for decades to address energy efficiency and renewable energy implementation, as well as community resiliency and adaptation.

Alaska has been a strong advocate for low-impact shipping corridors in the Bering Strait, and currently has a proposal to encourage Canada to sign on to a Reciprocal Ports Agreement, which would require vessels departing or arriving in Canada to register with a vessel tracking system, since they travel through environmentally sensitive areas in Alaska and this provides the necessary safeguards.

If Canada and the U.S. are committed to collaborating with indigenous and Arctic governments, leaders and communities, more broadly and respectfully to include indigenous science and traditional knowledge into decision-making, then there needs to be a clear path to implementation. What does this look like, and what mechanism will the U.S. and Canada use to consult early and often with northern decision-makers about their future? And shouldn't that process have begun prior to the announcement between the two nations?

CEO of Martech Polar Consulting, a privately owned company providing global ice navigation services and support for polar shipping



David "Duke" Snider is the CEO of Martech Polar Consulting Ltd. (David Snider)

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The U.S.-Canada Joint Statement on Climate, Energy and Arctic Leadership document was heavily focused on matters of environmental sensitivity based on the commitments of both leaders to reduce the negative impacts on climate and environment. Some are concerned that the bilateral statement is too focused on climate change issues at the expense of balanced sustainable resource and economic development; however, the two leaders' focus on the environment

does appear also to address sustainable development in the Arctic. How does this groundbreaking bilateral statement affect shipping?

The most direct impact relates to the commitment to "establish consistent policies for ships operating in the region." As numbers of ship movements are gradually increasing because the effects of global climate change are resulting in slowly lengthening navigational seasons, it is ever more important for vessel operators to be faced with consistent policy and regulation as they transit. It is heartening to see that a focus on consistency on requirements for shipping is at least part of this agreement, particularly in the dual stewardship region of the Beaufort Sea. Expected outcomes such as common reporting will go far toward ensuring seamless transit between the two nations' Arctic waters.

How will consistent policy evolve into actual physical support to shipping? Will this mean real support and movement of much-needed renewal of both nations' icebreaking fleets? As traffic inevitably increases the demand for icebreaking support will put even greater pressure on the present ageing and limited icebreaking fleets. An increase in icebreaker presence would also do much to improve the present scarcity of in-region search and rescue resources beyond the small-scale local community response capabilities.

Will we see actual increase in action on expanding the coverage of sea lanes with bathymetric surveys to modern standards? Though charts are available to cover almost

all North American Arctic waters, for the most part, only narrow historically frequented corridors are presently charted to modern standards.

One hopes that the agreement will result in improved and consistent "navigation data quality," specifically a uniform distribution and depiction of sea ice information, which today is not the case. The present formats of sea ice charts produced by American sources are less useful than the comprehensive ice charts available from Canadian sources. Lessons could be taken from the multilateral and common presentations made by neighboring coastal nations around the Baltic during the winter ice season there. We can also hope that consistent sea ice information service and charts will be extended to match the lengthening shipping season, and not be reduced as it is presently when government ships retreat from Arctic operations.

In the end, this mariner is hopeful that the obvious primary focus on protection of the environment and indigenous ways of life is carefully balanced with science-based decision-making with respect to resource development and shipping regulations necessary to ensure economic stability also necessary in our Arctic regions. Without allowing and supporting responsible resource and economic development and shipping, we run a high risk of denying those resident in these challenging regions standards of living that southern Canadians and Americans take for granted.



John Higginbotham, senior fellow at the Centre for International Governance Innovation. (CIGI)

Senior fellow at the <u>Centre for International Governance</u> Innovation and <u>Carleton University</u>, who was a minister at the Canadian Embassy in Washington, D.C., during Canada's last state visit.

Well, the new Canadian Government now has an Arctic policy. For those who complained it was "big sled, no dogs," we now have a bold answer: a big sled and two large and eager dogs. However, the old dog will soon drop in its tracks and the other dog is very new to the job. The issue now is what the sled is carrying and where is it going? Certainly, the amount of attention devoted to the North American Arctic was unprecedented in last week's Obama/Trudeau sunny event. Never before has the issue of the U.S. and Canadian Arctic loomed so large in a bilateral exchange between the leaders of Canada and the United States and the joint official language that resulted.

The promise of U.S.-Canada leadership on climate change action, and on the Arctic in particular, dominated the joint statement issued by the two leaders. Important undertakings were made about engaging Arctic indigenous peoples in this enterprise.

In Mr. Trudeau's separate brief statement on the bilateral meeting between the president and the prime minister, the Arctic sections were listed ahead of those on strengthening border and trade cooperation and future summits, the normal headlines. The statement said: "We have announced a new partnership to build a sustainable Arctic economy, and we will work together to develop new, science-based standards for commercial fishing, low-impact shipping, sustainable development and Arctic biodiversity."

A variety of important bilateral and multilateral issues covered in the separate U.S. statement, like NORAD including maritime awareness cooperation, were not mentioned in the Canadian statement.

Overall, the massive Arctic emphasis is a positive, surprising but challenging result for the Trudeau government.

The most attractive element is the strong emphasis on broadening and deepening bilateral dialogue and cooperation at the highest level between the two governments on the North American Arctic, a formulation and perspective that has been historically lacking. But there are big challenges ahead in terms of implementation. There are ominous constitutional, political and budgetary constraints on carrying out the broad climate change promises of both administrations, which will affect their Arctic dimensions.

Canada has just signed on in midstream to a central Obama legacy strategy adapted to the Arctic during the President's GLACIER visit to Alaska this summer, under the umbrella

of their Arctic Council chairmanship. The Obama policy of unprecedented executive branch climate change activism has brought praise from the environmental community, but is not supported by Congress, in particular by senators from Alaska, who strongly criticized the Obama/Trudeau meeting's Arctic outcome.

Unfortunately, U.S. Alaska senators Murkowski and Sullivan and the Governor of Alaska were not consulted by the U.S. government on the agreements reached. Senator Murkowski chairs the Senate Energy and Natural Resources Committee and was one of Canada's strongest supporters of the Keystone XL pipeline.

The Arctic policy of Canada's previous prime minister, Stephen Harper, tilted somewhat toward Arctic responsible economic development over pure environmental priorities. This position is broadly supported by Alaska and the Territories, and by Canadian and American Arctic indigenous peoples. This created an unspoken alliance on Arctic issues between northern Canadians and the Alaskans, which may not now be sustainable.

The risk is that President Obama and many of his executive climate change and Arctic policies and people will be gone in less than a year, but the toxic atmosphere with the Congressional leadership and Alaska and the new administration will remain. Canada could suffer collateral damage in other bilateral areas from signing on so enthusiastically to the Obama climate change agenda.

The way for Canada to square this circle is to try to lock the most positive and broadly agreed elements of the agreement into place in the next eight months through the creation of a formal high-level bilateral Arctic consultative mechanism and web of subagreements that will largely survive the transition. This binational ministerial mechanism would manage Canada-U.S. Arctic relations in a balanced and integrated way, from real economic development to improved continental defence, to achievable climate change and environment goals, to seriously incorporating indigenous voices and urgent northern social and educational needs.

Implementing the Trudeau/Obama Arctic policy will require new Canadian cabinet, ministerial and senior official machinery to support this effort and form a base for

consultations with other stakeholders. This will not be easy or cheap as federal Arctic policy now is seriously decentralized and underfunded.

Fortunately, a framework for federal Arctic leadership and investment exists. The government has just been presented with former minister David Emerson's long-term economic plan for the North as part of his excellent report on transforming Canada's marine, road and rail transport system to boost Canadian economic development for the benefit of all Canadians.

Will the government put its money where its mouth is and operationalize the Washington agreements reached by developing a new Canadian Arctic policy and a suite of new well-funded national and bilateral Arctic programs? One awaits the next budget for a clue.

Top image: President Barack Obama and Canadian Prime Minister Justin Trudeau shake hands following the conclusion of their joint news conference, Thursday, March 10, 2016, in the Rose Garden of the White House in Washington, D.C. The leaders pledged to cooperate on Arctic issues. (AP Photo/Pablo Martinez Monsivais)



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