1. **Background of Involvement in Arctic Matters and qualification to assist Parliament**

1.1. This is a submission following the House of Lords call for evidence dated 22 July 2014.

1.2. As a lawyer working in DWF LLP’s Marine Trade & Energy Group I have been heavily involved in Arctic Matters working closely with the London Insurance Market, the Marine Industry, the international Union of Marine Insurers, The Foreign & Commonwealth Office, UKTI’s Nordic-Baltic and Canadian team, a number of British Ambassadors in Arctic states, and a number of Arctic Governments; particularly Sweden and Canada. In particular I have worked closely with UKTI on two Artic Conferences on the Sustainable development of the Arctic, one in London in March 2014 opened by Minister for Energy Michael Fallon, and one at the International Festival for Business in Liverpool in June 2014. I am, I feel, well positioned to be able to assist Parliament in answering a number of the questions raised about the role of the United Kingdom in the Arctic.

1.3. I am currently involved in linking the US Space Agency NASA and the US Naval Research Laboratory and the US National Oceanic Atmospheric Administration with the Lloyd’s of London Insurance Market with regard to their upcoming Satellite missions for the monitoring of ice to assist in the safe Navigation of the Arctic.

1.4. I am also working closely with the Foreign & Commonwealth Office in relation to the Arctic Circle Conference in Iceland at the end of October following the earlier work this year helping to identify British industry, science and technological interests that can help in the Arctic.

1.5. I am also working closely with the International Association of Classification Societies to include an ice regime in the Polar Code following the ice workshop I assisted The Swedish Polar Research Secretariat organise in conjunction with the Swedish Club, the Nordic Association of Marine Insurers and Lloyd’s of London in London in March, which involved the Secretary General of the IMO, Mr Koji Sekimizu.

1.6. There is much work ongoing and I am happy to update Parliament as things progress. Indeed on the day after this submission I am hosting a meeting at my firm’s headquarters, 20
Fenchurch Street, involving NASA, the US National Oceanic Administration, the Swedish Arctic Ambassador, the Canadian High Commission, the Foundation for Science & Technology, Lloyd’s of London, and other interests.

1.7. In order to understand more fully the background to this work before I answer the House’s specific questions I list at paragraph 2 my involvement in Arctic matters from Britain’s perspective recently which will be self explanatory and, I hope, helpful to the Committee. It will be noted when looking at the list that I have worked closely with Captain Anders Backman, the first Master of the Swedish Ice Breaker ODEN which was central to the Natural Environment Research Council’s 2004 ACEX (Arctic Coring Expedition) which, no doubt the Committee is aware, was a scientific coring (drilling for sediment cores) expedition to the Lomonosov Ridge close to the North Pole. The project was extremely significant for a number of reasons. ACEX was part of the International Ocean Drilling Program (IODP) (iodp.org) and handled by Natural Environment Research Council (NERC) (http://www.nerc.ac.uk) as the European operator of IODP. NERC performed the work via the British Geological Survey (BGS) (http://www.bgs.ac.uk). BGS arranged the expedition and in turn contracted the Swedish Polar Research Secretariat (SPRS) (http://polar.se/en/) for the vessel and Ice Management part of the project. SPRS in turn contracted the polar icebreaker ODEN from the Swedish Maritime Administration and the nuclear icebreaker SOVIETSKIY SOYOUZ from Russia (then Murmansk Shipping Company – today Rosatomflot) as Ice Management vessels. As coring vessel the VIDAR VIKING (Swedish icebreaking AHTS vessels owned by TransViking Offshore – today Viking Supply Ships) was hired in. SPRS also provided an Ice Management team consisting of Ulf Hedman, Per Frejvall and Bertil Larsson. Captain Anders Backman’s role was Fleet Manager coordinating the operation of all vessels. Today all these people are active in Arctic Marine Solution AB in Sweden (www.arcticmarinesolutions.se). The issue of Ice Risk Management was handled by AKAC Inc. in Canada. (www.akacinc.com).

1.8. ACEX was a landmark operation of vital importance for the understanding of the history of the Arctic. Through the cores retrieved one was able to examine 55 million years of history, shaping the way researchers look at the Arctic in a historic perspective.

1.9. ACEX is today the benchmark for all Arctic operations as it proved that it was possible to safely operate in heavy ice conditions (88.5N) provided there is enough resources of the right kind and that the knowledge on how to operate is well used through responsible well planned Ice Management.
1.10. The President of Arctic Marine Solutions is Åke Rohlén, who I have also worked closely with. Both Captain Backman and Åke Rohlén have made significant voluntary contributions to the promotion of safe operating standards in the Arctic and to the education of industry and the British Insurance industry. If I am called for further evidence I would encourage the committee to also request the presence of Åke Rohlén and Captain Backman who have authorised me to confirm they would be happy to assist, and can technically be considered party to this submission.

2. Involvement in Arctic matters from Britain’s perspective as a London lawyer.

2.1. My work, in conjunction with those who I have referred to has involved:

(a) **12.02.2012** Legal advisor to Lloyd’s of London’s Arctic Report.

(b) **21.03.2013** Legal advisor Lloyd’s Wreck Removal Report (including reference to the Arctic);

(c) **08.04.2013** Drafting and initiating Consultation regarding Arctic Marine Best Practice Declaration (the “Declaration”) with Åke Rohlén, President, Arctic Marine Solutions and Captain Anders Backman (www.iumi.com)

(d) **18.04.2013** Highlighting Declaration at Arctic Council SDWG Discussion, Stockholm.

(e) **09.05.2013** Moderating UK TI’s Arctic Discussion - Nordic- Baltic Conference, Mansion House, London;

(f) **15.05.2013** Attending Kiruna, Sweden for Arctic Council Summit;

(g) **06.06.2013** Assisting Lloyd’s in Wreck Removal Conference, Oslo, Norway;

(h) **13.09.2013** Presenting Lloyd’s Wreck Removal Report to industry, Singapore(including reference to the Arctic);

Leading discussion- ‘Insurance for Ice voyages’ -North American Arctic Conference, St John’s Canada, including detailed discussions with Canada’s Senior Arctic Ambassador, Transport Canada, and the Canadian Ice Service;

29.10.2013 participating in British Government led ‘Poles Apart’ Conference;

14.01.2014 Leading delegation of insurance, research and marine industry leaders in discussion regarding the Arctic with Canadian Minister for Transport – London;

13.02.2014 Attending Cambridge University – request by Head of Arctic Ocean Geopolitics Programme, Scott Polar Research Institute re ‘insurance in Arctic operations’;


11.03.2014 Panel member/organiser - conference with Ake Rohlen, Captain Anders Backman, Swedish Ministry of Foreign Affairs and Nordic Council re ‘Sustainable Shipping in Arctic’, London; (with Arctic Ambassadors and IMO Secretary General) (http://www.polar.se/en/articlesconference-report-sustainable-arctic-shipping-and-marine-operations);


18.03.2014 Speaker / organiser UKTI’s Arctic Mining Conference, London;

08.04.2014 Panel participant/ leader - discussion ‘Insurance for Ice voyages’ ‘Helsinki Arctic Conference;

14.04.2014 Chairman at CII Arctic lecture, Lloyd’s, - David Vaughan - British Antarctic Survey;

20.05.2014 Presentation - European Maritime Day ‘Safety and Security’ - Requested by Commissioner for Maritime Affairs and Fisheries to help formulate European policy
(http://ec.europa.eu/maritimeaffairs/maritimeday/en/programme-items/thematic-session-3);

(u) **21.05.2014** Assisting Lloyd’s to organise conference - British Embassy, Oslo – ‘closing knowledge gap on drilling issues- Barents Sea’;

(v) **10.06.2014** Organiser - Arctic Conference (DWF / UKTI) at International Festival for Business, Liverpool- highlighting regulatory issues, and assisting British Industry to liaise with Arctic operators; and assisting Arctic Countries promote inward investment.

(w) **18.08.2014** Presenting at NASA’s John C Stennis Space Centre, Mississippi at request of US Navy and NASA to enable their upcoming satellite missions to work with the London Insurance industry and Operators to assist in improved monitoring of ice.

(x) **15.09.2014** Presenting at the Arctic Exchange in Stockholm on best practice and the development of an ice regime for safe navigation.

(y) **30.09.2014** Organising meeting DWF 20 Fenchurch Street, involving NASA, the US National Oceanic Administration, the Swedish Arctic Ambassador, the Canadian High Commission, the Foundation for Science & Technology, Lloyd’s of London, and other interests to discuss best practice and NASA’s upcoming satellite missions for the monitoring of ice which it is hoped will assist in better ice prediction and ice navigation.

(z) **30.10.2014** Assisting the Foreign & Commonwealth Office to maximise British representation at the Arctic Circle business forum in Iceland.

3. **Impact of above involvement from a British perspective**

3.1. This effort has resulted in:

3.1.1 Significant media coverage helping to highlight the issues of concern regarding best practice (http://www.dwf.co.uk/people/michael-kingston);

3.1.2 The International Union of Marine Insurers backing the Arctic Marine Best Practice Declaration, as referred to at 2.1 (c) herein;

3.1.3 Recognition of ice regime being fundamental for the Polar Code - discussed formally in recent IMO session MSC93;
3.1.4 An international integrated approach/closure of the knowledge gap regarding Arctic operations;

3.1.5 A recognition of the importance of British interests in Arctic operations; and

3.1.6 The importance of industry taking the lead in order to assist Government to maximise British influence in the Arctic.

4. Comments regarding the House of Lords Questions

In answering the questions set out by the Committee I will repeat the questions and make comments thereunder.

4.1. Question 1: What are the main issues arising from recent and expected changes in the Arctic region? How will these changes impact upon the Arctic, and what is the impact for the UK?

4.1.1 I am assuming the Committee is referring to environmental changes. There are of course political matters that are currently at play, with the recent sanctions against certain Russian entities. Clearly these sanctions have a bearing on the development of certain operations in the Arctic and the outcome remains to be seen. What is important to point out is that the Arctic Council has worked very well as a consensus body for the welfare of the Arctic, those involved working very hard together to achieve collective cross-jurisdictional aims particularly regarding the environment in the Arctic, not least the British team as an Observing Member. I submit that it should therefore be Britain’s aim to ensure that the Arctic Council is in no way damaged by any recent or future sanctions and if possible that the Arctic Council does not get embroiled in the mainstream political thoroughfare of the day. Clearly that is a delicate path to travel but the aim is important, because, as a body, the Arctic Council is almost a model of international diplomacy.

4.1.2 In relation to the environmental changes it is clear that there has been record ice melt, coupled with record transits of the Northern Sea Route and the historic transit of the North West Passage this time last year. Additionally there has been increased destination shipping including exploration activity - onshore (mining), offshore exploration and production, and cruise line activity. This is not just down to ice melt but incredible advances in technology; the power of ships to break ice and withstand low temperatures.
4.1.3. Much of the developments will involve British technology, science, insurance, finance, and legal services. I will expand on this in answering question 2 at 4.3 below.

4.1.4. One very important issue that could well be a consequence of the changing ice balance in the Arctic is the meteorological affect it may be having at lower latitudes. In the extended period of storms encountered in the UK and Ireland and other areas of Western Europe late last year and early this year there is a possibility that this was caused by the regulation of the gulf stream being slightly altered. It keeps our shores and temperatures warm and moist allowing for our extraordinarily warm winters on this latitude. However once hitting our shores it heads to the Arctic where it is then returned down the Western Atlantic once transiting the Arctic. Change in the Arctic is inevitably having an affect on the flow of the Gulf Stream. This in turn could well be affecting the meterological balance. Whilst I am not a scientist, this needs to be monitored very carefully, and what happens in the Arctic needs to be monitored very carefully by the UK because of the critical importance of the Arctic in regulating the Gulf Stream which is fundamental to our climate.

4.2. Question 2: Will changes in the Arctic lead to new economic and commercial opportunities? What are these opportunities and how might they be delivered? What should be the role of the UK Government, of British businesses and of other sections of civil society?

4.2.1. Much of the developments will involve British technology, science, insurance, finance, and legal services.

4.2.2. I refer to Annex A [not reproduced] at page 12 where a detailed report can be found on this issue which I prepared for for UKTI following the Arctic Discussion I moderated at the Nordic – Baltic Conference on 09 May 2013 involving Dr Dougal Goodman – CEO Foundation for Science & Technology, Johanna Salvolainen – Head of UK TI, Finland, Christopher Welch, Chairman of Association of Mining Analysts, Dr Stuart McCracken, Anglo American, British Ambassador Paul Johnston (Sweden), British Ambassador Matthew Lodge (Finland), British Ambassador Vivien Life (Denmark), and Cristiana Liaos, Nordic- Baltic Director, UK Trade & Investment.

4.2.3. I have organised two significant Conferences with UKTI this year as referred to at 1.2, 2.1(q) and 2.1(v) above which highlighted the opportunities. Specifically in relation to Insurance, finance, and legal service, I attach at annex B [not reproduced], at page 17, my talk at the second conference in Liverpool and would invite the Committee to read it.
4.2.4. I am currently preparing a report from the 10th June Conference in Liverpool and would be happy to provide the Committee with a copy when it is finalised.

4.2.5. The role of Government, of British business and other bodies should be to ensure that best practice is applied in all Arctic operations, that in doing so, responsible sustainable development should be promoted, and Government should help to put in place frameworks to encourage that, both domestically, and cross-jurisdictionally through the Arctic Council, and within the European Union.

4.2.6. I refer in particular to the recommendations that were made to the Arctic Council following the seminar on best practice and workshop ice management referred to at 2.1(o) and 2.1(p) herein and are as follows:

- That the Arctic Council, or its working groups, is asked to assist in setting up a forum for the sharing of knowledge by industry, Government, the Research community and other parties in order to foster best practice.

- That under that proposed forum a specific group be set up to build an ice data regime across the Arctic to encourage each member state to take responsibility for their section of the Arctic in order to ensure best practice that goes beyond current regulatory requirements in areas where it is lacking. This is similar to initiatives already in motion in relation to charting.

- That under that forum the issues of crew competence and training be nurtured in a systematic and harmonised way in order to foster and support best practice - similar to training in relation to dynamic positioning such as that provided by the Nautical Institute.

- That the Arctic States come to some agreement about the monitoring of operations outside their Exclusive Economic Zone that constitute international waters.

- That such a forum represents a cross section of interests that make it fit for purpose – operators, insurers, and representative bodies such as the International Association of Classification Societies, with representatives from each member state.

- That such a forum includes a mechanism for sharing of experience in a way that does not compromise competitive advantage, or confidentiality.

- That these recommendations be raised if possible at the meeting of the Senior Arctic Ambassadors, including participation by Mr Koji Sekimizu, at Yellow Knife, Canada, 25-27 March.

I would encourage the Committee to look at the reports containing these recommendations on the Swedish Polar Research Secretariat Website:

4.2.7. From my experience in working with such a cross-section of those involved in Arctic matters in the United Kingdom I submit that an Arctic forum in the UK should be established to help foster an integrated approach consisting of similar domestic interests as referred to internationally in the reports at 4.2.6 herein.

4.2.8. It is a matter for the committee to consider whether similar submissions should be made to the European Commission in their current call for evidence regarding the Arctic.

4.3. Question 3: How should economic developments be balanced with environmental protection in the Arctic? Are appropriate systems in place to ensure the correct balance is found and maintained? How should the UK be involved in establishing this balance?

4.3.1. The environment must take priority. In addition to the consequences of failing to protect the Arctic environment for those who live in the Arctic, the consequences are enormous too for our own environment (in particular for the reasons referred to at 4.1.4). Additionally, for the huge investments required to develop certain Arctic resources the damage to companies' reputation and their whole industry in getting it wrong are colossal. The Committee need look no further than the consequences for BP following the Deepwater Horizon disaster. The Arctic cannot afford a disaster. It is imperative that the United Kingdom promote best practice and help formulate regulation of the highest standards. At present appropriate systems are not in place because either is a significant knowledge gap. An integrated approach to gathering knowledge, best practice and the formation of regulation that is fit for purpose is required and in that regard I refer to the recommendations to Question 2 at 4.2.6.

4.4. Question 4: What are the human aspects of the expected climatic and economic changes in terms of local populations, current and future?

4.4.1. I am not an expert on the affect of environmental change on the indigenous people of the Arctic. I do understand some of the affects of shipping on mammals along the Bering Straight from ships transiting the Northern Sea Route, and from certain offshore operations. It is important that the operators liaise closely with those communities to take their concerns on board. It is also important to understand that the perception that the Indigenous communities are against investment and development is incorrect. It is welcomed if it is done in the right way. This was reflected in discussions I had with Mr Terry
Audla, President of the Inuit Tapiriit Kanatami, the national organisation representing 55,000 Inuit indigenous peoples living in 53 communities across Canada in Stockholm on 15.09.2014. Mr Audla also commended the efforts of the London Insurance Market working with the International Union of Marine Insurers in their recent drive to promote best practice in the various initiatives as referred to at paragraph 2 herein.

4.5. **Question 5: Are there sufficient data on the Arctic to make informed policy decisions? If not, where are the gaps and how should they be remedied?**

4.5.1. The simple answer to this question is No. Policy decisions about the pursuit of some resources can be made, but not the risks involved. Data is lacking, but the proposals suggested at 4.2 would go a long way to helping policy makers be more informed and to make considered decisions.

4.6. **Question 6: Are there climate change mitigation and adaptation strategies local to the Arctic that should be deployed or tested? What contribution can the UK make?**

4.6.1. I am not an expert in climate mitigation and adaption strategies but again I would encourage the Committee to look at the recommendations for the recommended forums suggested at 4.2.6 and 4.2.7 herein which could address such issues which would form part of the ‘best practice’ procedure.

4.7. **Question 7: Are current international governance and security arrangements appropriate for dealing with anticipated challenges in the Arctic? How should the UK support the Arctic states in their stewardship of the region?**

4.7.1. I am not a security expert. However I was requested by the European Commission for Maritime Affairs and Fisheries to attend European Maritime Day on 19.05.2014 as referred to at 2.1(t) herein when I presented on Safety and Security from the context of a lack of International regulation regarding best practice and safety. Best practice of course also involves industry working to the highest standards of security to secure operations. In supporting the initiatives surrounding best practice and the suggested forums that should be established both domestically and internationally at 4.2.6 and 4.2.7 herein the British Government would be putting their best foot forward in this regard, using the knowledge of industry and the other suggested participants to maximum advantage.
Question 8: How effectively does the UK interact with Arctic governance structures? Is the UK Government’s approach, as set out in the Arctic Policy Framework, proportionate and appropriate?

4.7.1. I have noted those responsible for Polar matters in the Foreign & Commonwealth, and Government Ambassadors interacting very well indeed with other Governance structures, particularly in the matters I have been involved in listed at paragraph 2 herein.

I refer again to the report at Annex A [not reproduced] (page 12) referred to at 2.1(e) and submit that the United Kingdom should encourage a bottom-up approach and capitalise on extensive expertise in science, technology, insurance, financial, legal, regulatory, marine and other fields in order to maximise British influence, which is important for the sustainable development of the Arctic. I again refer to the recommended forums suggested at paragraph 4.2.6 and 4.2.7 herein.

I hope that these submissions prove to be useful and am happy to assist the Committee further if required, as are Åke Rohlén of Arctic Marine Solutions, and Captain Anders Backman.

*September 2014*