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## TOURISM AND THE CHALLENGE OF ARCTIC GOVERNANCE

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This paper explores the relationship between tourism and the challenges of governance in the Arctic region. Recently, both political and academic interest in the Arctic has been on the rise as a result of the increasing geopolitical importance of the region. Changes of the climatic conditions and melting of the Arctic ice caps have resulted in increased access to the “world’s last wilderness”. The increased access and interest are contributing to a growing number of tourists visiting the North. As yearly arrivals continue to rise, a number of problematic issues need to be addressed. This paper reviews the main instruments relevant to the discussion of tourism currently employed in the governance of the Arctic, and critically evaluates the insufficiencies of the current legal framework for Arctic governance and regulation of tourism in the Arctic. It concludes that although tourism in the Arctic has a number of advantages, particularly for the indigenous populations, the current legal and regulatory framework in the region lacks the scope and authority to minimize the potential (and increasing) environmental, economic, and social risks associated with increased tourism and other human activity in the region.

*Key words: Polar tourism, geopolitics, sustainable development, climate change, international organizations, global warming*

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### **1. Introduction**

The Arctic<sup>1</sup> has historically been viewed as an inhospitable and remote area far in the North. Recently, particularly in the last decade, there has been increased geopolitical interest in the Arctic because of the increased access, advancement in technology, and natural resource potential. It is estimated that one fifth of global undiscovered and exploitable mineral resources are above the polar circle. The emergence of the Arctic into the geopolitical spotlight represents a potential for international disputes. While the Antarctic is a frozen continent encompassed by the ocean, the Arctic is a frozen ocean encompassed by continents; on the top it is permanently inhabited. The current legal framework is dominated by the law of the sea and accompanied by a complex and incomplete number of other instruments. The region, viewed by some as a barometer of the impacts of climate change, is in the midst of dramatic environmental changes (Koivurova, Keskitalo, & Bankes, 2008). While the Arctic region has been neglected in international affairs for most of the 20<sup>th</sup> century, the region is of increasing geopolitical importance.

As the interest in the region has been increasing, there have been intensive discussions concerning its governance. The Arctic falls under a complicated and incomplete number of

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often conflicting legal regimes that neglect the new circumstances and newly emerged challenges facing the region. In contrast to the Antarctic, it is not a compact international space in the sense of international law. The problem of Arctic governance is thus very complex – both global and regional mechanisms come together. There is no single legal framework for Arctic governance – the individual regimes deal with pertinent topics of the region: claims for sea territories, use of Arctic waters for maritime transport and fishing, environment protection, protection of the fauna and flora, rights of indigenous populations, etc. Some of these regimes have their basis in international treaties, while others are built on less formal agreements or one-sided proclamations by individual countries.

There are various levels of law used to govern the Arctic including international law, European law, and national laws of the individual countries. Most of this region falls under the jurisdiction of the eight Arctic players and their Exclusive Economic Zones (EEZ). Among these, three are federal states (Canada, Russia, US) with various levels of mandates of its territories (Alaska, Canada's Northern territories, and administrative units in Russia) with varying levels of rights and autonomy afforded to indigenous populations. Denmark, Finland and Sweden are member states of the European Union, but Greenland is no longer part of the EU and enjoys a significant level of autonomy. On the other hand, Iceland and Norway are member states of the European Free Trade Association, but they are restricted by large parts of European Union law because of their membership in the European Economic Area.<sup>ii</sup> All of these eight states have their commitments in a number of international treaties and all are bound by the international customs law. The land areas fall under the sovereignty of the Arctic states and large parts of the Arctic waters fall under their exclusive maritime jurisdiction. The situation is further complicated by the fact that Arctic states present their claims for continental shelf territories in the high seas. This all makes governance in the Arctic a very sensitive and extremely complex matter. (Koivurova, 2008, Koivurova et al., 2008)

This purpose of this paper is to critically discuss the complexities of Arctic governance as it applies to tourism in the region. The paper explores the question of tourism regulation in the Arctic explained through the unfit legal framework of governance and relations among the relevant actors (both state and non-state). To do so, this paper first provides an overview of legal instruments that are relevant for potential regulation of tourism in the region. The positive and negative impacts of continued development of Arctic tourism

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provide a basis for this discussion. This paper argues that the current lack of tourism regulation in the Arctic is unsatisfactory due to unclear responsibilities in the legal framework and makes the case for the development of a detailed strategy of tourism regulation in the region.

Research on polar tourism has recently received increased attention by tourism academics. Snyder and Stonehouse's (2007) book presents a comprehensive introduction to tourism in the Arctic and Antarctic regions, and cruise tourism in polar regions was thoroughly explored by Lück, Maher, and Stewart (2010). Stewart et al. (2005) described four main areas for polar tourism research: tourism patterns, tourism impacts, tourism policy and management and tourism development. In the area of tourism policy and management, they urged further researchers to concentrate on effectiveness of tourism regulation and governance in the Arctic. However, since 2005 there have not been any studies focused specifically on the insufficient legal framework and the regulation of Arctic tourism in midst of increasing environmental risks, human activity, and geopolitical challenges in the region. Polar tourism is still a relatively new issue on the global agenda and well-structured research, development of knowledge and suitable policy initiatives may contribute to decisions connected to practical management of the Arctic region, including the promotion of sustainable tourism development. Policy interventions and awareness campaigns focused directly on further development of sustainable tourism in the Arctic are quite limited. For example, the World Wild Life Fund (WWF) no longer deals with Arctic tourism issues directly and the influential International Polar Year (IPY) Conferences have mainly been dominated by natural sciences. In the current 2012 IPY conference in Montréal, no specific sessions were dedicated to tourism. The United Nations Environment Programme (UNEP) and the UN World Tourism Organisation (UNWTO) have recognized these issues and combined to issue a report on the sustainability challenge of tourism in polar regions. The report included a brief guide for policy makers. (Snyder, 2007)

This paper first briefly presents the general issues of tourism in the Arctic region. Positive and negative impacts of tourism in the region are explored, particularly in relation to the indigenous populations. The third part of the paper discusses the main actors in Arctic governance and their relevance to tourism regulation, including multilateral organisations, Nordic co-operation bodies, Arctic states, NGOs and non-profit organisations. Additionally the paper discusses the UN Convention on the Law of the Seas (UNCLOS) and the European

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Union as an aspiring Arctic player. The discussion then turns to the relationship between governance and tourism development, and the potential future considerations.

## **2. Tourism in the Arctic**

Globally, tourism is one of the most significant industrial sectors with almost one billion international tourism arrivals annually contributing nearly one trillion dollars to the global economy (UNWTO, 2010). The Arctic region has also experienced an increase in the number of tourists arrivals due to several reasons including increased awareness of the region, increased access through transportation and tourism infrastructure, a shift in indigenous economies, and the increased 'tourist season' resulting from progressing ice melt attributed by many to climatic change. While the actual number of visitors to the region is difficult to estimate due to the fact that the region is made up of Arctic and Subarctic territories of eight nations (Stewart et al., 2005, p. 385). In the past, tourism in the Arctic was limited to a small group of individuals who had both the financial means and the adventurous spirit to take a trip to this peripheral region. Recently, mass tourism has increased as the diminishing ice cover provided easier access via maritime routes (Johnston, 2006). In the future as a result of environmental changes, technological progress and higher demand, an increased number of tourist destinations and a longer tourist season can be expected. Cruise tourism, for example, has increased dramatically due to better accessibility and the increased competition within the cruise industry that has resulted in the cruise lines expanding to more exotic destinations. Marquez and Eagles (2007) provided a comprehensive review and analysis of the tourism policy related to cruise ship tourism in the Arctic. Many of the key policy issues they explored regarding the cruise industry in the Arctic are important points for wider discussions regarding the impact of tourism in the Arctic particularly those related to sociocultural and community issues, environmental and economic impacts, safety and security, and sovereignty linked to climate change. Lück, Maher and Stewart (2010) edited volume also explores the operation and impact of cruise tourism in Polar Regions, with a particular focus on issues related to environmental and social sustainability.

Mass tourism in the Arctic has had both positive and negative environmental, socio-cultural, and economic impacts (Snyder and Stonehouse, 2007, Mason, 1997 and 2010). The following section briefly explores some of them; however these impacts have been well

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documented in the tourism literature (Snyder and Stonehouse, 2007) and do not represent the main focus of this paper. The Arctic has been described as one of the last great wildernesses of the planet, many parts of which have received some environmental protection or designation (national park, UNESCO World Heritage Site, etc). Conservation of these natural areas is directly threatened by the fact that tourists want to see and experience the vast wilderness areas. The increasing number of tourist arrivals can and has resulted in a compounding threat to the bio-security of many of the fauna and flora species that have become vulnerable in the face of climate change. The natural environment is also threatened by the transportation networks that bring the tourists to and carry them around the Arctic. Consequently, marine mammals are being disturbed and fisheries damaged. Oil leaks from tourist ships can have very dramatic impact on the environment as clean-up of such consequences is extremely difficult due to the natural conditions, the unclear legal framework and lack of mechanisms for attributing responsibilities for clean up. Another aspect clearly harming the environment is connected to the waste disposal – tourists leave waste behind and it is currently unclear who is responsible for its disposal. Other environmentally harmful aspects include air pollution, increased noise pollution, and other existing environmental contaminants in the region, for instance former military bases. A rising number of tourists may contribute to more hazardous conditions in the region.

On the other hand, tourism development in the Arctic has brought economic profits, jobs, and an increased quality of life for indigenous populations. Tourism offers an alternative to traditional economic activities such as subsistence fishing and hunting. It has also empowered indigenous populations with an opportunity for economic independence that in most cases is lacking in the other developing industries in the region. Industries such as mining, commercial fishing, forestry, and oil all require expensive infrastructure development. Furthermore, denser transportation networks in the Arctic have increased the mobility of local populations. In addition to increased access via maritime transportation networks, the Arctic's booming economic activities (tourism, mining, fishing, etc) have led to the development of air and land based transportation infrastructure, often opening up once isolated communities. The expanded transportation infrastructure will continue to result in increased flows of people in and throughout the Arctic, including tourists in search of authentic experiences with indigenous people in the region.

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As more and more indigenous people start to make their livings from tourism, many of them shift away from the traditional economic activities thus increasing their vulnerability to the seasonality and other external risks related to the tourism industry (Notzke, 1999). Due to the Arctic climate and the limited tourism season, the majority of the economic activity is concentrated within a few summer months. This can lead to negative social impacts as individuals and communities go through long periods of economic inactivity. At the same time, fears exist that this shift to a tourism based economy may lead to a loss of knowledge of the community about the traditional ways of survival in such extreme conditions (see for example Nuttall, 1998). The local capacity to receive large number of tourists also becomes an issue, as is the case in cruise tourism where the number of tourists visiting from the ship can often outnumber the number of local residents (Johnston, 2006).

The emphasis on the development of tourism in the region as an alternative to more invasive industries can have a positive impact on the environment, or at least have a relatively smaller negative impact than alternative industries. Tourism can contribute to conservation of the natural environmental and cultural heritage because that is in many cases what tourists are coming to see in the Arctic. In many cases it will increasingly be in the best interest of indigenous populations and regional/national governments to protect the natural environment and cultural heritage as the tourism industry continues to grow. Tourism in the Arctic can also contribute to more comprehensive awareness of vulnerabilities of the region (and even the world) to climate change.

The extreme conditions of the Arctic contribute to another area of concern as tourism continues to develop in the region. Currently, there is a lack of clarity regarding responsibility and response to crisis. There is a lack of transparency of who is responsible for rescue operations or even simple monitoring within in the region. Given the problematic issues connected to cruise tourism, this issue could emerge quite dramatically in the near future, as the potential for incidents will be rising.<sup>iii</sup>

Tourism development in the Arctic faces several challenges that must be addressed in order to maximize the benefits and mitigate the negative impacts. In order to do so, the overall aim for sustainable tourism development in the Arctic needs to be bought into by the various stakeholders and institutions that have an interest in the region. The current economic and environmental trends suggest that there will be increased human activity, including tourism, in the Arctic. In order to balance the potential benefits and risks associated with these trends,



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a vision and plan is needed to provide the foundation for protecting the fragile environment and empower indigenous populations to benefit economically while preserving their cultural traditions. A vision for sustainable tourism has been, with varied intensity, discussed since the end of the 1990s within the governing institutions of the region. A vision for sustainable tourism was developed during the conclusions of the Northern Forum in Finnish Rovaniemi in 1999. In the framework of the SMART project, discussed more later on in this paper, *sustainable tourism* was explained as a reality when economic interests do not concentrate solely on economic profit but also take into account environmental and social aspects of its activities. A concrete definition used in the project describes it as “tourism that minimizes negative impacts and maximizes socio-cultural, environmental and economic benefits for residents of the Arctic. /.../ sustainability is an ongoing learning process rather than a final outcome” (Vaarala, 2006, p. 6).

It is clear that the understanding of *sustainable tourism* of the various organizations and institutions is aligned with prevailing definitions of sustainable tourism development. Questions concerning environment and corporate social responsibility have recently become a necessary part of discussions about tourism development in the Arctic. In order for sustainable tourism development in the Arctic to succeed, the complex legal and governing frameworks of the region need to be explored. The governance of the Arctic region must have a foundation of appropriate mechanisms for facing the challenges of the region including the increased number of tourism arrivals, the potential environmental hazards, the regulation and enforcement of laws and treaties, and the promotion of sustainable development. The current legal/political landscape of the region is arguably incomplete and falls short of being able to address the increased human activities in the region. The problems of Arctic governance are explored in the following section through the discussion of the frameworks currently in place.

### **3. Main actors in Arctic governance and their relevance to tourism regulation**

The aim of this section is to offer an overview of the political actors and their roles in Arctic governance with a particular focus on tourism-relevant instruments. The basic instruments for governance and administration of the Arctic comprise of activities of the Arctic Council, international treaties signed among states represented in the region as well as one-side proclaimed national strategies. In principle, regional governance in the Arctic takes

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place in the Arctic Council and The Barents Euro-Arctic Council. The relevance and influence of these individual actors for the field of tourism varies. Besides the formal actors (including the Arctic states), several informal actors have a strong level of influence in the region including non-profit organizations and industrial actors. Within the limited scope of this paper, a comprehensive review of all the actors in Arctic governance are not discussed in detail, however the most pertinent of these actors in relation to the (non-) regulation of tourism in the region are presented.

### 3.1 Arctic Council

The Arctic Council presents the main international forum for Arctic governance. It was established in 1996 with the aim to support co-operation, co-ordination and interaction among Arctic states in the field of sustainable development and environment protection and is based on the Ottawa Declaration as a follow-up of the Arctic Environmental Protection Strategy (AEPS)<sup>iv</sup>. The Ottawa Declaration marked the formal beginning of the Arctic Council (AC) as an intergovernmental political forum; it was signed by government representatives of Canada, Denmark, Finland, Iceland, Norway, Russia, Sweden and the US.

It is comprised of the eight member states and five organisations representing the indigenous Arctic populations with status of permanent members. A number of countries not geographically connected to the region, NGOs, inter-parliamentary also hold observer status. The AC mainly concentrates on the 'low' policy issues including some of those associated with tourism in the region and has much less focus on 'high' policy issues, such as sea territory claims of Arctic states. Nor does it deal with security issues, which are regarded as one of the main failures of the current legal framework, particularly in the soft-security sphere. For example, the AC in May 2011 adopted the Nuuk Declaration, which was the first binding agreement for search and rescue efforts in the Arctic (Arctic Council, 2011).

Since 1998 an AC working group on sustainable development has concentrated directly on tourism and other relevant topics. The AC Action Plan for Sustainable Development focuses on the extreme vulnerability of the Arctic ecosystem in connection with the impacts of human activity and climate change. Additionally, it addresses issues facing indigenous population due to climate change and the insufficient transport and communication infrastructure in the region (State Provincial Office, 2006).

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In 2006 the Arctic Council and the Northern Forum developed a common project aimed exclusively at tourism, the Sustainable Model for Arctic Regional Tourism (SMART). This project has significantly contributed to a more intensive discussion on the sustainability of tourism in the Arctic. Also, coinciding with SMART, the Sustainable Arctic Tourism Association (SATA) was established in 2005 as a non-profit organisation aimed at improving the polar communities and expanding the discussion about sustainable tourism in the region.

However, the AC's effectiveness has a number of limitations including the lack of organisational capacity, the general inability or reluctance to adopt measures binding for all members, and the absence of resources, as financing is not structured and rather takes place on an ad-hoc basis<sup>v</sup>. As a result, the Council functions as more of an advisory body. Originally, the AC was established through a declaration, not an international treaty, which explains the commitment of the Council members and the shared understanding that it is a soft-law instrument (Koivurova, 2008). Despite the above-mentioned drawbacks, the potential of this organisation is still often underestimated.<sup>vi</sup> With the continuous and dynamic transformation of the Arctic region and the proclaimed interests of a number of state actors, the AC is not able to fulfil the functions that would be expected from it in the current political landscape. There does not appear to be much urgency within the AC to take on a more functional role, indicating that, at least in the near future, it will stick to the practice of issuing non-binding recommendations. On the other hand, status of the AC still leads to acknowledge it as one of the most important institutions with the political and legal leadership within the Arctic region.

### 3.2 Nordic co-operation bodies

The Barents Euro-Arctic Council (BEAC) deals with a number of topics on regional and national levels of the states involved. The main objective for the BEAC has been to support security in the Barents Sea region. Currently, there is a specific working group for tourism in the organisation. However, due to the limited geographical focus around the Barents Sea region, the mandate of this group concentrates mainly on promoting tourism in the region and the development of tourism in a sustainable manner.

The Nordic Council and the Nordic Council of Ministers are organisations focused on the co-operation among Denmark, Finland, Iceland, Norway and Sweden. While not solely focused on Arctic issues, they have provided some recent frameworks for the development of

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tourism in the Arctic. For example, the Nordic Council of Ministers for Sustainable Arctic Tourism was implemented in co-operation with the Nordic Industrial Fund. Additionally, the Arctic University is being financed through the two main Nordic co-operation organisations. The focus of the university's research is the indigenous populations and their interests, a topic closely connected to tourism. The Nordic Council is one of the more invested organisations working toward improving the Arctic environment and addressing search and rescue issues, both of which are connected closely to increased shipping, including cruise ship traffic, in the region.

### 3.3 Arctic states and their role in Arctic tourism regulation

The eight individual Arctic states each have their own tourism regulations due to different national priorities and currently there is no shared vision regarding tourism in the region. The A5 Ilulissat meeting in 2008 acknowledged in its concluding declaration the "unique character of Arctic ecosystem, which the five coastal states have a stewardship role in protecting" (Ilulissat Declaration, 2008, p. 2; Zellen, 2009). However, even when there was a concrete pledge in the declaration – with an explicit link to tourism – to co-operate in addressing issues connected to environmental problems and risks, no concrete measures have been taken to adopt all-encompassing common and valid policy guidelines.

At the national level the Arctic states all have a certain degree of tourism regulation, but this area is also largely dependent on the dominant political economy paradigm within each country (Webster, Ivanov and Illum, 2011). Although priorities for such actions are probably valid for the whole region, there is currently no common Arctic strategy on how to mitigate potential negative impacts of the increased number of tourists. However, the individual states have taken various measures in trying to address these challenges.

Sweden, for example, has developed a brand based upon the natural environment, "Nature's Best" (Naturens Bästa), which is the first national label for nature tours in Europe supported by the Ecotourism Society. The appealing sentiment of the 'Nature's best' campaign has already gained Sweden a reputation for the efforts to develop environment-friendly and ethical tourism in the country. Tour operators need to qualify to receive the label, which in an environmentally mature country such as Sweden implies a significant sought-after value for the consumers. Norway has developed a regional tourism project on sustainable tourism (GRIP), and similar programmes can be found in Finland and the US state

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of Alaska (Guiding Alaska Tourism). Russia – instead of concentrating on tourism regulation – has rather concentrated on gaining a more significant share of the Arctic tourism market, as the Russian Arctic is one of the least travelled to parts of the region.

Besides introducing national tourism branding, countries have established Arctic national parks which then automatically encompass a certain degree of regulation. The Gates of the Arctic National Park was established in Alaska 1980. Canada has three national parks in Nunavut, and Russia followed in 2009 with the establishment of Russkaya Arktika (Russian Arctic) National park. Russia has made clear and open remarks that reasons behind establishment of Russkaya Arktika are not primarily motivated by the desire to protect the environment, but merely as a means to support its territorial sovereignty (RIA Novosti, 2010). The heavy considerations of geopolitical importance may outweigh the lighter and softer issues such as tourism, when crucial interests are at stake.

A report by the Aspen Institute (2011, p. I) argues that the Arctic governments serve as the “greatest opportunity for international cooperation and shared responsibility for sustainably protecting the Arctic environment.” The national tourism activities described above, do have a potential to contribute significantly to sustainable tourism in the Arctic. The Aspen Institute report called for specific actions in a form of development of standards among Arctic governments and explicitly mentioned marine tourism and a need for participatory discussions of international regulatory bodies and industry.

### 3.4 The role of non-governmental and non-profit organisations

There are a number of NGOs directly focused on the governance in the Arctic. Previously mentioned, SATA was established in 2005 in efforts to formalise co-operation of interested actors and to serve as a forum for exchange of opinions and expertise related to the tourism industry in the Nordic Arctic. The World Wild Fund for Nature (WWF) has a significant position among NGOs active in the region and since 1992 it has implemented its Global Arctic Programme. Due to the lack of clear regulation for tourism in this region and the organisation's genuine interest in protection of Arctic diversity – it has set out ten principles of Arctic tourism and a code of conduct for Arctic tour operators and tourists (WWF, 1995, Mason, 2010). So far, this code of conduct has basically been the main guideline for soft regulation of Arctic tourism. However, since the “10 principles”, the WWF has refocused its Arctic work and has not contributed to the tourism discussion since.

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### 3.5 The role of the United Nations in Arctic governance

The United Nations is a crucial Arctic player itself, particularly due to the UN Convention on the Law of the Sea (adopted in 1982, valid since 1994)<sup>vii</sup> that presents a basic framework for the law of the seas, their governance, use, rights and the responsibilities of member states (UNCLOS, 1982). The aim of creating this convention was to establish a universally valid frame for the use of the seas and oceans and with that, avert conflicts and strengthen international peace. The Convention touches upon all aspects of sea space and its usage – navigation, fly-overs, research and mining, fishing and ship transport. Based on this Convention, every coastal state can claim sovereign rights over sea areas up to the distance of 200 nautical miles from the base line and take use of natural resources within this zone. It represents the so-called exclusive economic zone<sup>viii</sup> (EEZ), which includes not only the waters but even the sea bed and what lies under it. Some coastal states may be allowed to prolong its EEZ thanks to its continental shelf and thus enlarge the territory under their sovereign jurisdiction up to 350 nautical miles. The regime of the continental shelf was created after World War 2 (and initiated by the US as its land continued into the wide sea bed). Based on international law, the ocean area that extends beyond the EEZ is open to all states, both coastal and those with no ocean access. This access could include the right to navigation, flying over, setting underwater cables and tubes, and creating of artificial islands and other installations. In the high seas it is possible, while yielding to international regulations, to undertake industrial fishing as well as scientific research. No state may claim any part of the high seas under its sovereignty (part VII. of the Convention).

It is not surprising that globally great attention to the issue of Arctic waters. The UNCLOS includes art. 234 dedicated specifically to Arctic specifics. It enlarges the environmental responsibility of states even outside of their EEZs if this area is frozen for most of the year. This led the Arctic Council to create special cruise rules that were adopted in a non-binding Polar code of the International Maritime Organisation. The UN's International Maritime Organisation has its own agenda in the maritime matters and recently started dealing with some Arctic region specifics. It is currently developing a new Polar Code aimed at increasing safety for ships operating in Arctic waters. Co-operation with other bodies with specific Arctic interests could contribute to the common cause, such as the call from the Nordic council for safety-enhancing regulation of cruises in the polar areas.

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### 3.6 The European Union – an aspiring Arctic player

The EU started dealing with Arctic-related issues only recently. Previously Arctic-related issues were marginally addressed in the Northern Dimension, a Finnish initiative targeted towards relations with Russia. The European Parliament is now the most active body in promoting EU Arctic policy; the development of which is slowly gaining the momentum. Denmark is a full member. Norway and Iceland are members of the European Economic Area with Iceland likely soon becoming a full member, and Sweden and Finland members. The widening geographical scope of the EU and the increased issues of geopolitical importance of the region compel the EU to take a clearer position regarding the Arctic.

The European Union does not deal with Arctic tourism issues intensively, though. It only indirectly touches upon more general questions of sustainable tourism. In 1998, the European Commission issued a communication to the Council and the European Parliament titled: “A European Community Strategy to support the development of sustainable tourism in the developing countries” (European Commission, 1998). Official documents dealing with these Arctic Tourism issues have been quite sporadic until recently, even though tourism and promoting sustainable tourism appeared in the Lisbon treaty (art. 195 deals explicitly with tourism, nevertheless it does not serve as a legal base for specific action).

Recently, a multi-disciplinary project currently funded from the 7<sup>th</sup> Framework Programme (Arctic Access) will evaluate expected climatic impacts in the next twenty years on economic activity in the region – marine transportation (including tourism), fisheries, marine mammals and the extraction of hydrocarbons. (Damanaki, 2011)

### 3.7 New legal framework for Arctic governance?

The question of replacing the current legal framework by another regime has recently been a big subject of discussions of regional policy experts, think tanks, and relevant actors. The drawbacks of the existing regime have led the five core Arctic states to create another format of co-operation in the region. Canada, Denmark, Norway, Russia and the US (so-called A5) signed a declaration in Ilulissat in 2008 in which they proclaimed their interest in keeping the current framework and only suggested some minor changes that take into account the new challenges facing the region. The declaration was not been signed by all of the Arctic states, which has resulted in some political posturing between them. The three excluded states

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and representatives of local populations expressed their opinion that negotiations should take place in the framework of the Arctic Council or possibly in another forum that included representatives of all relevant countries. In May 2011, another A5 meeting took place in Quebec, this time at the level of ministers of foreign affairs that caused further disappointment of Finland, Iceland and Sweden. However, no political declaration was adopted as a result of that meeting either. Some of the actors calling for a new Arctic regime of governance, for example the WWF, which has an observer status in the Arctic Council, claims that there are gaps in the current legal framework and that responsibilities are not set clearly (WWF, 1995). As a result, some have even called for a new treaty that would clearly address the most pressing current issues.

The environment has previously been the central topic of multilateral forms of co-operation, including the framework of the Arctic Environmental Strategy from 1991, and the establishment of the AC five years later. However, these previous forms of co-operation lack a firm legal base, which is why the suggestion of a new framework still remains relevant. Those who argue in favour of adopting a new framework claim that environmental protection in the current regime is inadequate. The soft-law approach of the AC does not have the full capacity to address key issues facing the Arctic, particularly in regards to the impacts increased regional economic activity, climate change, and other key environmental and sociocultural issues facing indigenous populations (Koivurova, 2008). Recently environmental disasters, such as oil leak in the Gulf of Mexico, may strengthen the commitment of Arctic players to negotiations on a new encompassing international treaty. More realistically, though, clear commitment will be a reaction triggered by a serious event in the Arctic waters.

Koivurova (2008) suggests that the Arctic Council could be strengthened through an 'Arctic Treaty'. The idea of creating a new regime in the form of an encompassing Arctic treaty, however, does not have the support of the independent Arctic States themselves and thus its adoption seems unlikely. Another solution emphasises the need to implement the current rules and regulations and possible strengthening of key aspects of co-operation (Koivurova, 2008). There has even been an idea to create a regime built on the model of the Antarctic treaty System (ATS)<sup>ix</sup> (Young, 2000). Some elements from ATS have emerged from the Canadian Regional Council since 1991; however, this was supposed to be established on the basis of an international treaty (unlike the later established AC). Other



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proposals have included the formalisation of Arctic co-operation through a specific international treaty that includes guiding principles and detailed mutual rights and responsibilities of the individual states<sup>x</sup> (Koivurova, 2008). It is evident that the states of the AC are not interested in essential re-organisation of governance in the region or in the internationalisation of the Arctic Ocean. Agreement of states on an encompassing regime is thus rather an unrealistic vision. Furthermore, we can expect that while key geopolitical and economic interests are at stake, the impact of tourism on the Arctic is not going to be the driving force in midst of 'more serious' geopolitical, security and economic concerns.

In efforts to develop sustainable tourism in the Arctic and minimise the negative consequences elaborated in this paper, the existing legal framework needs to be adjusted to reconsider the roles of the actors involved. Continued research on the inadequacies of current framework linked to tourism development may further strengthen the political will. The AC, as this paper repeatedly claimed has the potential to take the leading role in tourism regulation and the promotion of sustainable tourism development in the Arctic. Due to the increasing geopolitical, economic, social, and environmental complexity in the Arctic, the continued non-coordinated efforts of the individual states could result in increased security risks and conflict. Although this paper concentrated on the Arctic region exclusively and kept comparisons to Antarctica to a necessary minimum, Antarctic examples of tourism management, particularly in the work of the International Association of Antarctica Tour Operators may serve as a good example how to regulate tourism on a region-wide level. An academic inquiry of regulating Antarctic tourism is included besides others in Bastmeijer and Roura (2004) or Hall and Johnston (1995).

#### **4. Conclusion and research implications**

Thanks to the natural and cultural attractions of the region, Arctic tourism has the potential to have economical, social and environmental benefits. However, if left unchecked tourism could have harmful impacts on the environment and indigenous peoples. To address the potential impacts and benefits of tourism there needs to be a coordinated, implemented, and monitored plan for tourism in the region. However, a coordinated effort could be problematic, particularly due to the current complex and inadequate legal framework for Arctic governance. Furthermore, there is a potential clash of interests between the short-term and long-term goals of the relevant actors. It will be crucial to engage all of the Arctic players,

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including states, non-governmental and non-profit organisations, international organisations, indigenous populations and the tourism industry.

One of the key contributions of this paper is the recognition of the 'political problem' related to tourism in the Arctic. The Arctic region represents an area where sustainable tourism activities will not be a result solely of market economies, and governmental and inter-governmental interventions will be necessary. The diverse social, economic, environmental, and political pressures facing the future of the Arctic emphasise the view that the selection of policy instruments is more than just a 'technical' question (Bramwell, 2005). While this paper focused primarily on kneading out some of the questions related to the complexity of Arctic governance as it relates to tourism, future studies need to take this analysis further and combine it with an analysis of soft policy issues such as the internal power struggles between indigenous populations of the North and the population centres of the South in each country, and the balancing of economic interests and environmental protection. The future analysis could explore the issue of Arctic tourism and regulation within a wider international political economy (Mosedale, 2011), as the global interests in the Arctic continues to peak. Future studies should also focus on the micro level implications of Arctic governance and tourism as they impact individuals on the local community level. These could include studies on the Quality of Life Impacts of tourism on indigenous communities, environmental impact analysis, comparative analysis between the host communities in other countries. Future efforts could also incorporate action research methodologies to both empower local populations and to lead to practical results that can help to maximize the benefits of tourism while minimizing the negative impacts. Additionally, as climate change continues to play out on the Arctic stage, interdisciplinary research projects will become even more important in the region.

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<sup>i</sup> In the narrow sense, the 'Arctic states' are composed of the Arctic Five (A5): the United States, Canada, Russia, Denmark (through Greenland) and Norway (through Svalbard). There are several possible criteria for territorial definition of the Arctic, but for this paper, Arctic states are considered to be those, whose area reaches beyond the polar circle. Furthermore, Sweden, Finland and Iceland are also considered to be Arctic states, as part of their territories reach beyond the polar circle. These eight states are the permanent member states of the Arctic Council (AC), the most important forum for the region, as its permanent members.

<sup>ii</sup> Except for the Svalbard which is not part of the EEA due to a special protocol in the EEA agreement.

<sup>iii</sup> For a comprehensive take on problems connected to cruise tourism (globally) and reports and statistics of various cruise incidents, refer to [www.cruisejunkie.com](http://www.cruisejunkie.com) (accessed 22 February 2012).

<sup>iv</sup> Proclaimed in 1991. Negotiations on the AEPS started in 1989. It was inspired by a famous speech of Michail Gorbatshev in Minsk in 1987. Before the AEPS, the Arctic was had not been considered as a region for intergovernmental co-operation development. It had rather been perceived as a strategic region between the two Cold War blocks. (Koivurova, 2008, p. 146-147)

<sup>v</sup> Furthermore, no current discussions are currently going on trying to revise the financing regime. (Koivurova, 2008).

<sup>vi</sup> Oran R. Young (2000) presents a couple of recommendations for a more effective work and better position of the AC: 1) The AC should devote its attention to topics relevant for the whole region and leave the less important topics of Nordic states to other organizations; 2) The AC should concentrate on the role where it possesses comparative advantage and leave the other roles to other organizations; 3) The AC should try to develop well defined and suitable work division, both internally and among its programme activities and externally in relation to other organisations proclaiming co/operation in the polar areas; 4) the AC should change its perception as an organization which decision-making takes place in top-bottom means by politicians and officers in capitals of the Arctic states.

<sup>vii</sup> And still not ratified by the United States of America.

<sup>viii</sup> The Exclusive economic zones equal to approximately one fourth of world's ocean area. It is expected that up to 95-99 per cent of economically usable resources (animals, mineral resources...) lie in them.

<sup>ix</sup> There is a number of differences. In comparison to the Antarctic, the Arctic is permanently inhabited which brings along a new dimension of indigenous populations protection. ATS has been slowly emerging over a couple of decades and even its establishment has not been unproblematic.

<sup>x</sup> As suggested by Linda Nowland from the World Conversation Union.