

PAME 1 – 2014 Agenda Item 4.1(d)
AMSA Recommendation I(A)
Report on the Nordic Council and Nordic Council of Ministers

BACKGROUND

AMSA Recommendation I(A) provides:

“The Arctic states decide to, on a case by case basis, identify areas of common interest and develop unified positions and approaches with respect to international organizations . . . to advance the safety of Arctic marine shipping; and encourage meetings, as appropriate, of member state national maritime safety organizations to coordinate, harmonize and enhance the implementation of the Arctic maritime regulatory framework.”

Pursuant to this Recommendation, the United States provides this report on the work of the Nordic Council and Nordic Council of Ministers with respect to shipping and the marine environment.

DISCUSSION

Throughout the Nordic region there is a long-standing tradition of cooperation among individuals, businesses, organizations, and government bodies.¹ This cooperation can be attributed largely to geographic proximity and common heritage as well as a desire to increase Nordic competencies and competitiveness at the international level.² Today, Nordic cooperation among Finland, Denmark, Iceland, Norway and Sweden, as well as the self-governing regions of the Faroe Islands, Greenland, and Aland, is one of the most extensive forms of regional collaboration in the world.³

At the government level, the Nordic Council (hereinafter “the Council”) and the Nordic Council of Ministers (hereinafter “NCM”) serve as the two official forums for Nordic State cooperation.⁴ The formal basis for Nordic State cooperation is the 1962 Treaty of Cooperation, commonly known as the Helsinki Treaty, which includes provisions for both the Council and, in a 1971 amendment, the NCM.⁵ As outlined by the Treaty, primary objectives of Nordic cooperation include promoting and strengthening ties between the

¹ See, *Nordic Cooperation*, NordForsk, <http://www.nordforsk.org/en/policy/norden/det-nordiske-samarbeidet> (last visited Nov. 18, 2013).

² See, William E. Morley, *Nordiska Investeringsbanken*, Dec. 4, 1981, at 2, available at 1982 WL 30531.

³ *Nordic Council of Ministers*, Nordic Institute of Asian Studies, <http://nias.ku.dk/nordic-collaboration/nordic-council-ministers> (last visited Nov. 20, 2013).

⁴ *Nordic Organisations and Institutions*, NORDEN.ORG, <http://www.norden.org/en/about-nordic-co-operation/nordic-co-operation> (last visited Nov. 17 2013).

⁵ Morley, *supra* note 2, at 3.

Nordic peoples and attaining uniformity in regulation throughout the region.⁶ To achieve these objectives the Nordic Council and NCM are responsible for coordinating the efforts of the Nordic States and their citizens in matters of politics, finance, culture, and environmental policy, as well as any other issues where it is determined joint input will create more value than purely national efforts.⁷

Funding for official Nordic cooperation in the Council and NCM is obtained primarily through tax revenues from Denmark, Finland, Iceland, Norway and Sweden.⁸ The total annual budget for the Council is about DKK 30 million (≈ U.S. \$5.4 million) and slightly more than DKK 900 million (≈ U.S. \$163 million) for the NCM.⁹ More than one-third of the annual budget goes to funding a variety of Nordic institutions, either entirely or in part.¹⁰

A. The Nordic Council

The Nordic Council is a consultative assembly of Nordic parliamentarians and is the primary forum for inter-parliamentary cooperation amongst the Nordic States.¹¹ The Nordic Council consists of 87 elected members, all of who are members of, and nominated by, their respective national parliaments.¹² States represented in the Council include the five Nordic States, as well as the self-governing regions of the Faroe Islands, Greenland, and the Aland Islands.¹³

Although the Nordic Council does not have legislative powers, it nevertheless plays an essential role in fostering intergovernmental cooperation within the region. At the most basic level, the Nordic Council develops policy recommendations, provides funding for research and other Nordic institutions, hosts forums, and acts in an advisory capacity to the NCM and Nordic State governments on regional issues or other matters of common interest.¹⁴ The Council holds sessions twice annually¹⁵ at which ministers and Council members discuss and vote on issues, submit proposals, raise questions, and coordinate future cooperative activities.¹⁶ Policy proposals approved during one of the Council

⁶ *Id.*

⁷ See, Interview by Alexandra Lovering with Halldór Ásgrímsson, Secretary General, Nordic Council of Ministers, <http://www.research-europe.com/index.php/2013/01/halldor-asgrimsson-secretary-general-nordic-council-of-ministers/> (Jan. 17, 2013).

⁸ *Nordic Council of Ministers*, *supra* note 3.

⁹ *Financing*, NORDEN.ORG, <http://www.norden.org/en/about-nordic-co-operation/financing> (last visited Nov. 25, 2013).

¹⁰ *Id.*

¹¹ *Nordic Cooperation*, Ministry of Foreign Affairs of Finland, <http://www.finland.org/public/default.aspx?nodeid=46133&contentlan=2&culture=en-US> (last visited Nov. 15, 2013).

¹² *About the Nordic Council*, NORDEN.ORG, <http://www.norden.org/en/nordic-council/the-nordic-council> (last visited Oct. 29, 2013).

¹³ The five Nordic states include Denmark, Finland, Iceland, Norway, and Sweden. *Id.*

¹⁴ See, *Id.*

¹⁵ The Nordic Council gathers at least twice annually at a Fall Ordinary Session and a Spring Theme Session, the latter of which is dedicated to a single predetermined topic area such as the Arctic. *About the Sessions*, NORDEN.ORG, <http://www.norden.org/en/nordic-council/sessions-meetings-and-conferences/sessions/about-the-sessions> (last visited Oct. 23, 2013).

¹⁶ *Id.*

sessions become formal recommendations and are submitted to the Nordic Council of Ministers or individual Nordic State governments for consideration and implementation.¹⁷

B. The Nordic Council of Ministers

Established in 1971 to complement the work of the Nordic Council, the Nordic Council of Ministers is the primary forum for inter-governmental cooperation amongst the Nordic States.¹⁸ The purpose of inter-governmental cooperation in the NCM is to work toward joint Nordic solutions that have tangible positive effects for the citizens of the individual Nordic Countries.¹⁹ Moreover, it is the view of the NCM that “joint Nordic action enables the individual countries [of the region] to make a greater impact at both [the] European and global level.”²⁰

Within the NCM, Member State Prime Ministers have the ultimate responsibility for Nordic cooperation.²¹ Prime Ministers’ responsibilities are delegated to policy ministers and other senior officials who are charged with carrying out intergovernmental cooperation on a day-to-day basis.²² Despite its name, the NCM is composed of 10 individual policy Councils of Ministers, each of which focuses on a specific policy area and is made up of ministers from each Member State who have the same area of responsibility.²³ Each policy Council of Ministers is supplemented by a committee of senior officials as well as by a variety of working groups, subcommittees and institutions.²⁴

The primary means by which the NCM sets out to achieve the objectives of Nordic cooperation include developing and adopting legislation, hosting and participating in regional and international forums, and sponsoring research or other projects of common interest.²⁵ Most significantly, unlike the Nordic Council, the NCM is empowered to adopt measures which are legally binding on all Member States.²⁶ Each Member State has one vote, and measures may be adopted so long as consensus is reached by all those countries affected by the proposed policy.²⁷

In addition to developing policies for Member States, members of the NCM also work closely with regional and international organizations, and members often contribute to the

¹⁷ *Id.*

¹⁸ *About the Nordic Council of Ministers*, NORDEN.ORG, <http://www.norden.org/en/nordic-council-of-ministers/the-nordic-council-of-ministers/about-the-nordic-council-of-ministers> (last visited Nov. 20, 2013).

¹⁹ *Why the Nordic Council of Ministers?*, NORDEN.ORG, <http://www.norden.org/en/nordic-council-of-ministers/the-nordic-council-of-ministers/why-the-nordic-council-of-ministers> (last visited Nov. 22, 2013).

²⁰ *Id.*

²¹ *The Helsinki Treaty*, *supra* note 5 at art. 61.

²² *About the Nordic Council of Ministers*, *supra* note 16.

²³ *Id.*

²⁴ See, *Organisation Chart for The Nordic Council of Ministers*, NORDEN.ORG, <http://www.norden.org/en/nordic-council-of-ministers/the-nordic-council-of-ministers/organisation-chart-for-the-nordic-council-of-ministers> (last visited Nov. 3, 2013).

²⁵ See, Lovering, *supra* note 7.

²⁶ *The Helsinki Treaty*, *supra* note 5, at art. 63.

²⁷ Morley, *supra* note 2, at 3.

development of international agreements.²⁸ Examples of organizations with which the NCM collaborates include the Arctic Council, the Barents Euro Arctic Council and the UN.²⁹

Furthermore, as a part of the NCMs' collaborative efforts, each year a large number of Nordic organizations, institutions, and associations receive funding to carry out projects of interest to the Council, Nordic States, or the greater global community.³⁰ As noted above, more than one third of the NCM's annual budget, or DKK 300 million (~ U.S. \$54.5 million), is earmarked for financing various Nordic projects and institutions, either entirely or in part.³¹

C. The Nordic Council and Nordic Council of Ministers Bodies related to Shipping and the Marine Environment

For many years, Nordic cooperation in the areas of shipping and marine environmental policy making, research financing, and project support has been a central component of the Nordic cooperative agenda. With the Nordic region surrounded by vast bodies of water, from the Arctic Sea and Ocean to the North, to the Baltic and North Seas in the South, each State in the region is dependent on the sea in one way or another.³² Moreover, as the sea provides the Nordic peoples with a means for shipping, fishing, transportation, energy, and recreation, preservation and protection of the marine environment has been a longstanding focus of the Nordic Council and Nordic Council of Ministers.³³

Both the Council and NCM have specialized committees responsible for cooperative efforts relating to shipping and the marine environment, each of which are supported by a variety of working groups, cooperative bodies, and other officials. Together these groups seek to identify new issues within their respective areas of focus and to support the Nordic States with activities intended to address such issues.

- **Council of Ministers for the Environment:** the primary body within the NCM responsible for ensuring the protection and sustainable development of the natural environment. Examples of issue areas dealt with by the council include climate change and air emissions, sea and coastal zones, chemicals, biological diversity and ecosystem management, and sustainable consumption and production. The Council is supported by numerous working groups, including the Marine Group, the

²⁸ See, *Nordic Co-operation in the Arctic*, NORDEN.ORG, <http://www.norden.org/en/theme/arktis/nordic-co-operation-in-the-arctic> (last visited Nov. 25, 2013).

²⁹ *Id.*

³⁰ *Id.*

³¹ *Financing*, *supra* note 9.

³² *Nature and the Environment*, NORDEN.ORG, <http://www.norden.org/en/the-nordic-region/nature-and-environment> (last visited Oct. 26, 2013).

³³ See, *Nordic Environmental Co-operation*, NORDEN.ORG, <http://www.norden.org/en/about-nordic-co-operation/areas-of-co-operation/environment/nordic-environmental-co-operation> (last visited Nov. 25, 2013).

Working Group on Environment and Economy, and the Climate and Air Pollution Group, among others.³⁴

- **Nordic Council Environmental and Natural Resources Committee (ENRC):** The primary body for the parliamentarians for the protection and sustainable management of the region's marine areas. Examples of issues dealt with by the ENRC include climate change and greenhouse gas emissions, safety at sea, environmental protection in the Arctic, fisheries management, and sustainable natural resource development.³⁵
- **Council of Ministers for Fisheries and Aquaculture, Agriculture, Food and Forestry (MR-FJLS).** This body's core activities consist of promoting the sustainable use of natural and genetic resources. The objective of the work within MR-FJLS is to promote sustainable development in the four sectors – fisheries and aquaculture, agriculture, food and forestry. The goal is to enable economic growth and welfare development while helping to ensure better environmental, health and social/regional development. Cooperation focuses on three overall challenges in its work program between 2013 and 2016. All three cut across Nordic borders and are therefore part of the global agenda facing the Nordic region and the MR-FJLS sectors:
 - Competitive production
 - Sustainable management of natural resources
 - Maintaining and developing the Nordic welfare societies

For each of the challenges, the basic principle is sustainable development – economic, environmental and social.

- **The Nordic Committee of Senior Officials for Fisheries & Aquaculture.** This committee is responsible for the Nordic cooperation regarding the sustainable utilization of living aquatic resources. Among the main themes of the cooperation is the impact of climate change on the distribution of marine and fresh water resources, not least in the Arctic, multi-species and ecosystem based approaches to fisheries management, ocean governance, maritime spatial planning, coastal fisheries and coastal communities, and the blue bioeconomy.

The framework for Nordic Cooperation on issues concerning the marine environment is set forth in the NCM Environmental Action Plan (EAP).³⁶ The development of EAPs have

³⁴ The Nordic Council of Ministers for the Environment, NORDEN.ORG, <http://www.norden.org/en/nordic-council-of-ministers/council-of-ministers/nordic-council-of-ministers-for-the-environment-mr-m/the-nordic-council-of-ministers-for-the-environment-mr-m> (last visited Nov. 25, 2013).

³⁵ *About the Nordic Council Environment and Natural Resources Committee*, NORDEN.ORG, <http://www.norden.org/en/nordic-council/organisation-and-structure/committees/the-environment-and-natural-resources-committee/about-the-environment-and-natural-resources-committee> (last visited Nov. 25, 2013).

³⁶ See, NORDIC ENVIRONMENTAL ACTION PLAN 2013-2018, Nordic Council of Ministers (2012), *available at* <http://dx.doi.org/10.6027/ANP2012-766>.

become a regular component of the Nordic Cooperative strategy for many years, with each EAP setting forth objectives and outlining specific measures to be implemented over the course of 4-6 year periods.³⁷ For example, ocean and coastal zones were the overarching focus of the 2009-2012 EAP, in which members set the overarching goal that all Nordic seas will be used in a sustainable manner with good environmental status by the year 2020.³⁸ The EAP also outlined several themes to emphasize in Nordic cooperative efforts and provided support to a variety of research projects based on those themes – climate and air; seas and coastal zones; biological diversity and ecosystem services; and sustainable consumption.³⁹

Examples of specific measures taken under this plan include the promotion of:

- Setting up a network of Marine Protected Areas (MPAs);
- Regulating discharges of ballast and waste water; and
- Implementing various EU directives relating to the sea and coastal areas.

The most recent EAP, which outlines the environmental agenda for 2013-2018, prioritizes green development, curbing climate change and air pollution, improving understanding of biodiversity, ecosystems, and ocean acidification, and reducing risks associated with hazardous chemicals.⁴⁰ To begin implementing the plan, the Council has set up a working group to assess possible joint initiatives to facilitate the implementation of the EU sulphur directive for tighter regulation on emissions in the Baltic, Kattegat, and North Seas.⁴¹

Additional areas to be addressed a part of the EAP include:

- Phasing out subsidies for fossil fuels and introducing taxes based on environmental impact;
- Adapting emergency response capabilities for increased shipping and harsher climates; and
- Developing management plans for coastal and inland waters in line with the EU strategy directive.

The Council and NCM also provide resources and financing to a wide variety of research projects aimed at addressing the most critical issues facing the marine environment and related industries. Although these are but a few examples of the Nordic cooperative efforts providing support to projects addressing the maritime industries and environment, listed

³⁷ See, *Id.*

³⁸ NORDIC COUNCIL OF MINISTERS, CLEANER NORDIC SEAS, at 4 (2010), available at <http://www.norden.org/en/publications/publikationer/2010-731>.

³⁹ *Id.*

⁴⁰ NORDIC ENVIRONMENTAL ACTION PLAN 2013-2018, supra note 32, at 6.

⁴¹ *Nordic Council: Can We Reduce Emissions from Shipping without Increasing Land Transport?*, NORDEN.ORG, <http://www.norden.org/en/news-and-events/news/nordic-council-can-we-reduce-emissions-from-shipping-without-increasing-land-transport> (last visited Nov. 25, 2013).

below are some of the projects supported which are indicative of the longstanding commitment to conservation and sustainable practices:

- Provided funding for the study Control Mechanisms for Nordic Shipping Emissions, aimed at assessing shipping emissions and reduction potential, as well as possible controlling mechanisms available for reducing such emissions.⁴²
- Provided funding for the development of a risk assessment map for the North Atlantic marine area, aimed at improving safety and assisting in the development of contingency plans to be used in response to incidents in the marine environment.⁴³
- Provided funding for studies to identify trends in contaminants that may be absorbed in the fat stores of marine mammals living in the region, namely the Fin Whale, Minke Whale, Pilot Whale, and Harbor Porpoises, among others.⁴⁴
- Provided funding for project examining the short and long term ecological effects of oil spills in the Baltic, North Sea, and North Atlantic.⁴⁵

It is also well worth noting that the Nordic countries have, through cooperation in the NCM, established a legally binding instrument, the Copenhagen Agreement (signed 1971, revised in 1993) to cooperate on the prevention of spills and other discharges of oil and other harmful substances into the sea.

D. The Arctic

With a large part of the Nordic region, both land and sea, situated above the 60th parallel north, Arctic related issues have long been a top priority on the Nordic cooperative agenda.⁴⁶ For many years Nordic cooperation in the Council and NCM has focused on ways to improve the lives of indigenous peoples, protect the natural environment, promote Arctic research and ensure sustainable use of the region's vast natural resources.⁴⁷ Moreover, through funding Nordic institutions, developing policy recommendations and participating in a variety of international forums, Nordic cooperation has helped to increase awareness, as well as understanding on a number of critical Arctic issues. The

⁴² Kjetil Martinsen & Asbjorn Torvanger, CONTROL MECHANISMS FOR NORDIC SHIP EMISSIONS, Nordic Council of Ministers (2013), available at <http://dx.doi.org/10.6027/TN2013-518>.

⁴³ *Increased Shipping Threat to North Atlantic*, NORDEN.ORG, <http://www.norden.org/en/news-and-events/news/increased-shipping-threat-to-north-atlantic> (last visited Nov. 3, 2013).

⁴⁴ See, "NEW" POPS IN MARINE MAMMALS IN NORDIC ARCTIC AND NE ATLANTIC AREAS DURING THREE DECADES, Nordic Council of Ministers (2011).

⁴⁵ CLEANER NORDIC SEAS, *supra* note 34, at 18.

⁴⁶ See, *Nordic Co-operation in the Arctic*, NORDEN.ORG, <http://www.norden.org/en/theme/arktis/nordic-co-operation-in-the-arctic> (last visited Nov. 22, 2013).

⁴⁷ See, *Id.*

current Nordic cooperation budget for Arctic activities is approximately one million euro (\approx U.S. \$1.35 million).⁴⁸

Nordic cooperation in Arctic related activities takes place at both the inter-parliamentary and inter-governmental level and is guided by the NCM Arctic Cooperation Program.⁴⁹ Parliamentarians discuss Arctic related issues in the Nordic Council, and the NCM's Minister's for Nordic Cooperation are responsible for overall coordination of Arctic related activities. The NCM also has an Arctic Expert Committee that advises members on Arctic related activities, and a variety of separate programs and strategies within the various councils and working groups.⁵⁰ The current action plan, set forth in the NCM Arctic Cooperation Program 2012-2014, emphasizes:

- The Arctic people and their living conditions, health and social challenges;
- The Arctic environment and nature;
- Climate issues related to the Arctic;
- Sustainable business development and the development of a green economy in the Arctic; and
- Education and skills development of the local population in the Arctic.⁵¹

Furthermore, while the scope of Arctic cooperative activities are extremely broad, a number of the projects supported and resulting recommendations are related to the region's increased shipping and fragile marine environment. Examples of past efforts by the Council and NCM in these areas include:

- Developing a common Nordic Arctic strategy
- Adopting a resolution to enhance maritime search and rescue capabilities
- Taking initiative on developing Arctic incident response infrastructure
- Pushing for a legally binding agreement between Arctic States for the use of best available methods in oil and gas extraction.⁵²

In addition to supporting research projects and making recommendations, the Council and NCM also host forums on Arctic issues and participate in the activities of other Arctic related organizations. Members of the Council and NCM have participated in the Arctic Council since its formation in 1996, and were granted permanent observer status in October 2000. The different sectors of the NCM work actively with Arctic issues within

⁴⁸ Nikolaj Bock, *Nordic Council of Ministers – Arctic Cooperation* (2007), available at http://iugs.org/33igc/fileshare/PDF/NCM_Arctic_cooperation.pdf.

⁴⁹ *Id.*

⁵⁰ *Nordic Co-operation in the Arctic*, *supra* note 45.

⁵¹ *The Nordic Council of Ministers' Arctic Co-operation Programme 2012-2014*, NORDEN.ORG, <http://www.norden.org/en/nordic-council-of-ministers/ministers-for-co-operation-mr-sam/the-nordic-council-of-ministers-arctic-co-operation-programme-2012-2014> (last visited Nov. 20, 2013).

⁵² Governments Dragging Heels on Safety in the Arctic (Sept. 2012), NORDEN.ORG, available at <http://www.norden.org/en/news-and-events/news/governments-dragging-heels-on-safety-in-the-arctic>

their own field, often in close connection with the Arctic Council and other international fora.

Moving Forward

Moving forward, the Nordic Council and NCM will strive to continue to facilitate Nordic cooperation on the development and implementation of EU and International regulations relating to the environment, to include seeking a binding international agreement to cut emissions by the year 2020.⁵³ In the marine environment in particular, members have identified a need to improve international agreements for oil spills, emergency response, and the protection of the Arctic environment, as well as reducing marine waste and improving knowledge of ocean acidification and marine ecosystems.⁵⁴ Through funding research, disseminating information, hosting forums, and actively participating in regional and international institutions, the Council and NCM hopes to continue building on past success and continue to move forward towards achieving their goals of finding solutions to the variety of environmental challenges faced by the Nordic region and global community.

Recommendations

The co-sponsors of this paper recommend that member governments explore at PAME I-2014 whether there are areas, activities, or actions of common interest between PAME and the Nordic Council/Nordic Council of Ministers that merit a more regular dialogue and exchange of information for the purpose of furthering safe and sustainable Arctic marine shipping and protection of the Arctic marine environment.

⁵³ See, CLEANER NORDIC SEAS, *supra* note 34, at 4.

⁵⁴ See, NORDIC ENVIRONMENTAL ACTION PLAN 2013-2018, *supra* note 32.