

## **POSITION PAPER OF REPUBLIC OF ICELAND ON THE 3<sup>rd</sup> DRAFT**

### **PREFACE**

We, Republic of Iceland, highly appreciate the initiative of the Forum for the 21st century to open the discussion about the following overarching policy on Arctic issues aimed at securing interests with regard to the effects of climate change, environmental issues, natural resources, navigation and social development as well as strengthening relations and cooperation with other states on the issues facing the region due to the increasing importance of the Arctic region in international affairs in recent years.

As an Arctic state and a founding member of the Arctic Council, Iceland has great interests at stake in the Arctic. Iceland's interests have always been shaped by its geographical position and access to natural resources. It is of vital importance that Iceland secures its position as a coastal state among other coastal states in the region. Iceland enjoys continental shelf rights in the joint exploitation area between Iceland and Jan Mayen Island according to the Agreement with Norway on the continental shelf in the area between Iceland and Jan Mayen from 1981. Iceland lays claim to continental shelf rights beyond 200 nautical miles in the southern part of the Banana Hole and an agreement was reached, in principle, with Norway and Denmark on behalf of the Faroe Islands in 2006 on the delimitation of the continental shelf in the area. Finally, Iceland lays claim to the utilization of resource in the waters around Svalbard on the basis of the equality principle of the 1920 Svalbard Treaty.

### **NOTES ON PROPOSALS**

#### **Political division**

The priority of the Iceland's position on Arctic governance is to promote and strengthen the *Arctic Council* as the primary intergovernmental and decision-making forum for Arctic affairs which will adopt legally binding agreements regarding essential issues within Arctic region.

We aim at resolving differences that relate to the Arctic on the basis of the *United Nations Convention on the Law of the Sea* (UNCLOS) which forms the basis for the settlement of possible disputes over jurisdiction and rights in the Arctic region.

However, we consider the activity of the UN's Commission on the Limits of the Continental Shelf to consider submissions by coastal states concerning the outer limits of the continental shelf beyond 200 nautical miles and its recommendations related to those limits to be inefficient. The consideration is based on fact that the recommendations by the Commission are not final and binding for the state. Therefore we support establishment of the *Arctic Research Centre for the Incessant Cooperation (ARCTIC)*, which should work under the Arctic Council, to determine the outer limits.

Finally, we support that the aquatories beyond the borders of the Arctic states shall be subjected to the status of the *Antarctic Treaty*.

### **Security dimension**

The growing international importance of the region has led to an increasing preparedness on behalf of the Arctic states to guard their sovereign interests, without having led to militarisation. Our priority is to safeguard broadly defined security interests in the Arctic region through civilian means and work against any kind of militarisation of the Arctic. General security must be strengthened in the Arctic region and the militarisation of the area prevented. Cooperation must be strengthened and bilateral agreements sought with individual Arctic countries.

Common security interests involve surveillance and the capacity for response to danger, not least on account of environmental accidents, accidents at sea and maritime activity in connection with oil extraction and other resource utilisation. The next generation of bilateral agreements of this kind should aim towards extending to common pollution prevention to a greater extent, as increased traffic of cargo vessels may be expected near Iceland in the coming decades.

### **Natural resources**

We assume increased economic activity in the Arctic region should contribute to sustainable utilization of resources and therefore responsible handling of the fragile ecosystem and the conservation of biota must be one of the priorities of common Arctic policy. Importantly, Iceland must seek stringent environmental requirements for oil and gas extraction in this area to ensure minimum disturbance of the marine ecosystem.

### **Environmental issues**

Iceland's cooperation with other states should be strengthened on the protection of biota, research, observation capabilities, search and rescue, as well as pollution prevention in the Arctic region, inter alia to protect Icelandic interests in the areas of environmental protection, social wellbeing and sustainable use of natural resources which should be ensured with commitment to the *Arctic Waters Pollution Prevention Act*. Iceland supports the *UN Fish Stock Agreement* and International Maritime Organization conventions on maritime navigation and pollution prevention.

It is necessary to respond to climate change and its impacts within the *United Nations Framework Convention on Climate Change*, as well as cooperating on efforts to reduce greenhouse gas emission utilization of renewable energy sources.

### **Protection of autochthonous inhabitants**

As a small nation and an advocate of human rights, Iceland supports the rights of Arctic indigenous peoples and promotes their involvement in decision-making in all issues affecting their communities, whether they entail political, social, cultural, economic or environmental interests. Therefore we are strongly for protection of autochthonous inhabitants under the *UN Declaration on the Rights of Indigenous Peoples* and the *Nuuk declaration*.

Utilisation of resources and environmental changes in the Arctic region will clearly have a major impact on economic and social conditions of the inhabitants in the area. It is of matter of highly importance to support the rights of indigenous peoples in the Arctic in close cooperation with indigenous organisations and support their direct involvement in decisions on regional issues and the establishment of the *International Fund for Protection of Autochthonous Inhabitants* (IFPAIN) could contribute to reach these goals.

### **Establishment of legally binding agreement**

Iceland endorses establishment of one legal agreement consisting of all frameworks listed in issues above.