

United Nations Trade and Development (UNCTAD)

MetMUNC XLIX

Topic: Northwest Passage and Northern Sea Route Opening

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Climate change and global warming have brought about unprecedented changes that the international community needs to address. One of such changes is the melting of Arctic ice,

which has implications that go beyond environmental damage. The new lack of ice has opened up previously inaccessible pathways through the Arctic. For centuries, nations have attempted to find a sea route from

the Atlantic Ocean to the Pacific Ocean through the Arctic, but were unsuccessful in

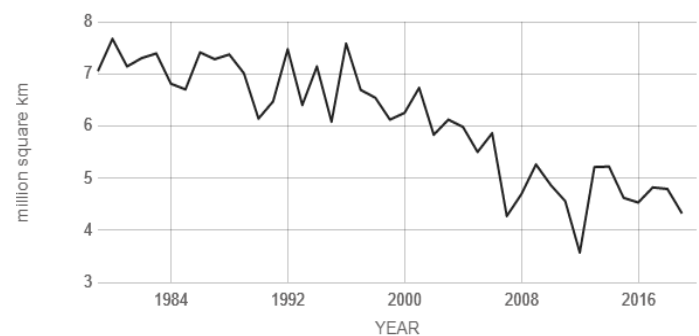
achieving this until 1906, and even then had trouble due to the high quantity of ice.¹ This sea

route is now called the Northwest Passage, and travels through a cluster of fairly isolated Canadian islands called the Arctic Archipelago.¹ There is a similar route connecting Asia and

Europe called the Northern Sea Route that follows the Arctic Russian coast.² As the ice in these

Arctic regions continues to melt, both the Northwest Passage and the Northern Sea Route are

becoming more and more accessible. Due to this newfound accessibility, the debate regarding the status of these waters, and other waterways alike, has been reignited.



Source: climate.nasa.gov

Figure 1: Average monthly Arctic sea ice level recorded by satellites every September from 1979 to 2019

Source: NASA/NSIDC

<https://climate.nasa.gov/vital-signs/arctic-sea-ice/>

¹ <https://www.history.com/topics/exploration/northwest-passage>

² <https://www.bbc.com/news/business-45527531>

Despite these waters being frozen for most of history, several countries claim them. Canada has historic claims to the waters, with native Inuit people using them for thousands of years.³ Additionally, Russia has been interested in the region because of its shipping and natural resource-extraction opportunities.⁴ For both Russia and Canada, a compelling reason in favor of their claims and interests involves search and rescue operations. While Canada has very little to no search and rescue capabilities in the Northwest Passage, Russia has been developing its search and rescue capabilities.⁵ If Russia and Canada have these waters as internal waters, then



Figure 2: Shows generic search and rescue operation in the arctic
Source: Arctic Circle
<http://www.arcticcircle.org/assemblies/2016/program-news/news/search-and-rescue-operations-in-the-emerging-arctic>

they would be responsible for search and rescue development, making the route safer for commercial traffic. If these waters were international, this would not be required. Thus, these waters may be safer for civilians and industry if they are internal waters.

When these waters were unnavigable, it was not important nor pertinent enough for other nations to actively contest claims over the waters, but that is no longer the case. The claims to these waters are highly contested, especially by the United States and China. China recently issued a guide to commercial ships navigating the Northwest Passage, showing the nation's stance that it is an international waterway. China's interest in the passages being considered international waterways is based on their want to use the route to make them more competitive in the international market. The US has also shown its belief that the waters are international - in 1985 a US coast guard ship was sent into the

³ <https://qz.com/1653831/the-us-is-picking-a-fight-with-canada-over-an-arctic-shipping-route/>

⁴ <https://www.maritime-executive.com/editorials/putin-unveils-more-plans-to-boost-northern-sea-route>

⁵ <https://www.maritime-executive.com/editorials/divining-russia-s-intentions-in-the-arctic>

Northwest Passage, causing an international incident, as Canada saw the US as navigating its internal waters, ultimately ending with the US agreeing to ask Canada permission to sail through the waters but still not recognizing the claim.⁶ The US has interests in many major waterways being international, since the US navy and commercial ships utilize many waterways globally. Such interests are universal, and apply to places from the Northwest Passage to the Persian Gulf.

Every person and country around the world will be affected by the Northwest and Northern passages opening without even considering environmental consequences. The opening of these passages means that the shipping distances between many places will be greatly reduced. For example, those heading from Japan to western Europe can travel across the Arctic Ocean, which is 6000 miles less than going through the Suez Canal (which is the route taken today).⁷

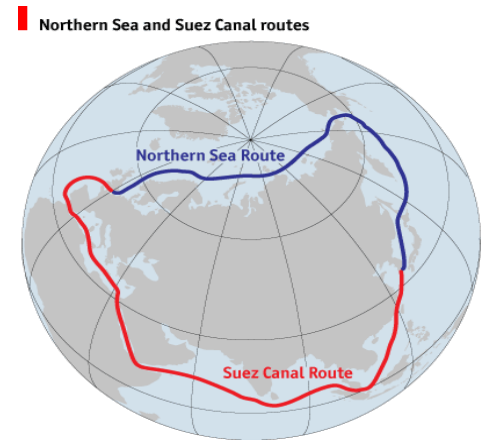


Figure 3: Shows shipping routes through the Northern Sea Route and Northwest passage
 Source: The Economist
<http://www.eiu.com/industry/article/591780243/the-northern-sea-route-rivalling-suez/2014-05-02>

This means less fuel needs to be used, lowering the costs of shipping. As an example, the MS



Nordic Orion recently traveled across the Northwest passage, saving \$80,000 on fuel.⁸ As a result of shipment costs decreasing, the costs of goods will also decrease. This shipping means cheaper products for

⁶ "Canada's New Shipping Shortcut." Youtube, Wendover Productions, 25 Apr. 2017, www.youtube.com/watch?v=ZcDwtO4RWmo.

⁷ "Canada's New Shipping Shortcut." Youtube, Wendover Productions, 25 Apr. 2017, www.youtube.com/watch?v=ZcDwtO4RWmo.

⁸ "Canada's New Shipping Shortcut." Youtube, Wendover Productions, 25 Apr. 2017, www.youtube.com/watch?v=ZcDwtO4RWmo.

people around the world. Additionally, canals are shallow and narrow compared to the open ocean, limiting the size of ships. Without the need for canals, ships can be larger and carry more goods, making products even cheaper.

For some countries, the effects of the Northern Sea Route and Northwest Passages will not be beneficial. Specifically, for Egypt, where the Suez Canal is located, and Panama, where the Panama Canal is located. Ships that go through the Northern and Northwest passages will bypass these canals. Hence, the economic traffic in Egypt and Panama will decrease. This may be disastrous for their economies, which are heavily reliant on these canals. In Egypt, profits from the Suez Canal make up more than an entire percent of the country's gross domestic product (GDP).⁹ In Panama, the canal is the source of a shocking 10% of the country's GDP.



Figure 5: Shows ship transiting the Panama Canal

Source: Offshore Energy

<https://www.offshore-energy.biz/panama-canal-keeping-an-eye-on-the-use-of-alternate-routes-amid-covid-19-uncertainties/>

¹⁰ Therefore, it is logical for these countries to

try to preserve the economic traffic of their canals to the greatest extent possible.

As previously stated, China has published a guidebook referring to shipping in the Northwest Passage titled “Arctic Navigation Guide (Northwest Passage)”.¹¹ This action has created even more opposition between China and Canada in regards to Canada's sovereignty over the Northwest Passage. China's guide poses a major threat to Canada's control over the passage, and Canadian sources have been criticizing the government's actions in stopping this

⁹ <https://www.reuters.com/article/egypt-canal-minister-idUSL5N0W74WT20150305>

¹⁰ <https://www.insideover.com/economy/northwest-passage-the-future-of-shipping-has-arrived.html>

¹¹ <https://www.reader.us/china-prepares-to-use-the-northwest-passage/>

massive invasion.¹² There has not been any real evidence of a response from the UNCTAD on this issue.

In committee, delegates will create resolutions pertaining to the status of the Northwest Passage and the Northern Sea Route as either international or domestic waters whilst keeping in mind the best interests of their individual nations. Each country has a unique perspective on the claiming and regulation of trade and shipment among these waters, so it is important that countries can compromise on these matters. Delegates must keep in mind the programs the committee has created in dealing with this international issue and the influence that individual nations have had on similar issues in the past and on this current issue.

¹² <https://www.newsdeeply.com/arctic/community/2016/09/19/china-prepares-to-use-the-northwest-passage>

Questions To Consider:

1. How will your country be affected by economic traffic being diverted away from canals?
2. To what extent does your country rely on international waterways?
3. How do your country's main trading partners side on this issue?
4. In the past, how has your country sided on the issue of international waters/freedom of the seas?
5. How could you further trade in your country using the Northwest Passage and/or Northern Sea Route?

Helpful Links:

- <https://www.oxfordresearchgroup.org.uk/blog/the-northwest-passage-dispute>
- <https://www.britannica.com/place/Northwest-Passage-trade-route/Contemporary-issues>
- <https://www.history.com/topics/exploration/northwest-passage>
- <https://arctic-lio.com/category/usefulsources/>
- http://www.nsra.ru/en/glavnaya/cei_funktsii.html