

International Relations and Defence Committee

Corrected oral evidence: The Arctic

Wednesday 7 June 2023

11.30 am

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Members present: Lord Ashton of Hyde (The Chair); Lord Anderson of Swansea; Baroness Coussins; Lord Robertson of Port Ellen; Lord Stirrup; Baroness Sugg; Lord Teverson.

Evidence Session No. 7

Heard in Public

Questions 82 - 92

Witnesses

[I](#): Elise Nyborg, Policy Adviser, UK Chamber of Shipping; Morten Glamsø, Head of Security, Danish Shipping.

Examination of witnesses

Elise Nyborg and Morten Glamsø.

Q82 The Chair: Welcome and thank you very much. We are now starting the second part of our meeting today and I welcome Ms Nyborg and Mr Glamsø. Thank you very much for coming to see us. We are going to focus on shipping in the Arctic in this session. We have talked about some of the economic opportunities and challenges, but we are focusing particularly on shipping in this session.

This is a public session. It is streamed live on the Parliament website and we will take a transcript, which we will give to you for any corrections if necessary. Can I ask you to introduce yourself briefly in your first answer, tell us who you are and your background? That would be very helpful.

I will start and ask you to give us a background on shipping generally, in particular for the UK and Denmark. How significant is Arctic shipping for the UK and Denmark? What kinds of shipping take place in the Arctic and how do they compare to each other in terms of volume and economic importance, if that would be a good place to start as a background to shipping? I will start with Ms Nyborg.

Elise Nyborg: First, thank you so much, Chair, for inviting me to participate in this very important inquiry. It is a pleasure to be here today to represent the UK Chamber of Shipping. I serve as an environmental policy adviser at the UK Chamber of Shipping. I am also a research associate at the Arctic Institute, which is a think tank based in Washington DC.

For UK shipping, we fully acknowledge the critical status of the Arctic in the global shipping scenario. We give much attention to the resources that are afforded by retreating sea ice, with our focus on the maritime space—and for shipping, that translates to both opportunities and risks. On the one hand, new routes are opening up that might afford new opportunities for transit; at the same time, new markets are developing that might afford opportunities for destination shipping, so the export of resource in and out as well as increased tourism.

On the other hand, these opportunities are resulting in increased risks and those are both environmental and safety-oriented in nature. For the UK, due to its close geographical proximity as well as the interlinkages between the Arctic and UK environments, both of those elements—both the opportunities and risks—are increasingly important in managing increasing shipping activity in the region in a sustainable way.

As it stands, there is only a handful of UK companies actively involved with Arctic operations. This is increasing as it stands. The main types of shipping that we are seeing are commodity-based in nature and particularly with a focus on the export of natural resource as those markets are emerging, as well as supporting services for those sectors; for instance, offshore support services and the like. We are also seeing,

as the growth in Arctic tourism increases, an equivalent increase in UK cruise interest and expedition interest in the Arctic. However, this does remain relatively small in terms of global capacity.

At the same time, although only a handful of our membership is represented, the representation is diverse and those companies that are involved have an enormous wealth of expertise in this area and have been at the forefront, I would say, of leading sustainable shipping, participating in the development of important regulations and initiatives, such as the International Maritime Organization's Polar Code, among other things.

The UK, both as a centre of expertise in Arctic research and as a centre for maritime services—world-leading in both regards—is very well placed to benefit from an increase in Arctic shipping in terms of the provision of services and specialised equipment, so not necessarily as UK entities that might be directly involved in Arctic shipping, but in supporting Arctic shipping as a whole; for instance, classification societies, P&I clubs, writing insurance for hull and machinery, but also other forms of insurance.

As a whole, to summarise, the UK is very well positioned to have a symbiotic relationship with Arctic shipping—geographically, geopolitically and commercially—and is also very well positioned to drive that forward in a way that is sustainable and safe.

Morten Glamsø: I too take the opportunity to thank you for the invitation to provide evidence on this important topic of Arctic shipping and development. I am head of security at Danish Shipping, a trade organisation representing Danish shipowners, responsible for security and—among other things—responsible for Arctic issues. That is probably why you have invited me today. Our membership consists of around 100 shipowners and a handful of those are operating in the Arctic. One is based in Greenland. Its area of operation, supplementary to other areas, mainly involves shipping supplies to the Greenlandic society or transporting bulk cargo for mines out of Canada.

The Chair: Thank you very much. That is very helpful—a good background. Lord Stirrup is going to be talking about the future.

Q83 **Lord Stirrup:** I wonder if you could help us to visualise what the future might look like for shipping in the Arctic. What are the trends? What are the areas of fastest growth? One can talk about growth in all sorts of areas. For example, from 1% to 2% is a doubling, but it is still not very much. What will we expect to see in the Arctic over the next 10, 20, 30 years? Is it going to be nose-to-tail cargo ships or is it going to be half a dozen a day? Give us some idea of the intensity that we can expect to see developing as these routes become more viable.

Also, can you give us an idea of what sort of balance there will be between the different kinds of shipping? Is it going to be principally transit shipping taking cargo or will a substantial percentage of it be to do

with fishing or tourism? How are they likely to balance in the future? I wonder if you could put some flesh on those bones for us.

Morten Glamsø: Thank you for a good question. It is important when we look at the Arctic to distinguish between transit through the Arctic areas and destination trade, where you go to the countries, or offshore installations in the Arctic. Also it is important to understand that both types of activity require specialised vessels and trained crews, not least experienced in navigating these vulnerable and sometimes dangerous waters.

Looking back a decade ago, something like that, we are perhaps more—or very—optimistic about future activities in the Arctic, especially about the expected growth in transit and so on. A lot of people are looking at the northern sea route and the Northeast Passage because of the shorter distance. I expect we will get to that later, but it is important to set the scene here. Looking at the numbers of through-transits passing through the Northeast Passage, it has been between 37 and 68 a year—68 in 2021—but if you compare it to the Suez Canal, on average you have on a daily basis around 50 to 60 transits in both directions, so that is more or less equal to the annual transits going through the Northeast Passage. I think that puts clearly into perspective the volumes we are talking about.

Lord Stirrup: You have talked about what it was, but what might it be in 10 or 20 years? Would it still be a tiny fraction of what goes through the Suez Canal, for example?

Morten Glamsø: That is how it is now. If you are looking into the future, it is not so much the transit you should look into, it is more the destination. In the previous hearing there were a lot of discussions about the future and that is a destination. You should look into the destination trade. What explorations, mining and so on, will there be to the benefit of the growth for the population and societies in the Arctic? It is in the bulk area, in the oil and gas exploration, where we will be looking at the destination.

Elise Nyborg: I fully agree with my colleague, Mr Glamsø, and especially about unpacking a little the expectations versus the realities because looking at the statistics as a whole might give a slightly misleading representation. As Mr Glamsø was saying, around 15 years ago there was certainly incredible attention on the potential that these routes in particular held for cargo and container shipping. What we have seen in reality has not quite matched that.

It is important to keep in mind as a baseline that only around 10% of shipping has some kind of Arctic engagement. That already shows you the limited scope. It is a small number of companies and operations that we are speaking about. Nevertheless, this has increased substantially, even if it is not necessarily in the way that was predicted 15 years ago.

There are different ways of measuring that growth. Different ways of looking at that growth can tell you different things about not only which

routes are becoming more viable but how people are using them and what operations might continue to progress. For instance, you can consider growth by the number of unique individual vessels in the area, and that has increased by 25% between 2013 and 2019, according to the Arctic Council's Arctic Marine Shipping Assessment Report, which has set the groundwork for getting a sense of what is happening in the region.

The other metric of growth is the length of the individual voyages being undertaken because that tells you a little bit about the extent of the routes as they are increasing and the extent of the season that you can use them. That has grown from 6.5 million nautical miles on average to 9.5 million nautical miles on average. That is substantial.

I realise, looking at my notes, it is not a 25% increase, it is a 75% increase. I apologise, my seven looks a bit like a two. Those are very impressive numbers. However, if you look at the drivers of that growth, you will see that that is predominantly fishing. So 41% of those vessels are categorised as fishing vessels and are predominantly domestic driven. From an international perspective, we have not seen the growth in "the new Suez Canal", the new "Klondike" route that has been expected, but rather a substantial growth in resupply activities, government vessels such as icebreakers, scientific research vessels and fishing. However, there are still significant trends for international shipping within that, as my colleague was speaking about.

I highlight again that destination shipping is very important, to look away from the idea of these routes as a viable alternative to the Suez Canal, but more as the potential they bring for destination shipping, and that is both the export of resources out of the region but also the export of passengers. To take cruise tourism, for instance, I believe 73 vessels were recorded as entering the polar waters in 2019 and that is again a significant increase from what we have seen before.

Looking at different ways of looking at the Arctic will reveal new insights. New areas are emerging that will be quite sector dependent. One thing I would mention in regards to these routes is that there are currently two viable routes. That is the northern sea route, which is a series of routes above the Arctic Russian coast and also the—

The Chair: Is that also what you mean by north-east route?

Elise Nyborg: Exactly. The region itself is the Northeast Passage but the northern sea route is the administrative routes that the Russian Government have determined as a region. It is not quite the same.

The Chair: I have a question now, if I might interrupt. In our evidence and in our evidence sessions in the written evidence, there is a lot of talk about the northern sea route or the north-east route and very little talk about the north-west route. Is the north-east route much more navigable? What is the problem? Why do we not hear about the Northwest Passage?

Morten Glamsø: That is correct, it is much more navigable. It is ice-free for more of the year. The Russians also have a set-up there for icebreaker assistance if you need that. One of our members did a commercial transit—it was the first one—through the Northwest Passage. There is a regime there where you have to notify the Canadian authorities and they also have an icebreaker on standby. Anyway, it is not that easily navigable.

The Chair: In the future, if climate change continues, and maybe they do invest in some infrastructure, will that be a viable alternative to the Northeast Passage?

Morten Glamsø: It could be an alternative, but viable. I assume it would be longer down the road than the Northeast Passage.

Elise Nyborg: If I may comment in that regard, the differences between the usage of the two primary routes—the Northwest Passage and the Northeastern or Northern Sea Route—is predominantly due to the ice coverage at the moment. However, the increased activity that has been seen in the northern sea route, as my colleague pointed out, is also driven by substantial investment in infrastructure and search and rescue capacity. It is far easier and far better supplied in that regard.

In addition, out of the routes that are under consideration, which also include a transpolar sea route as an alternative option, the Northwest Passage is predicted to take the longest to open up and become viable. I believe it is 2050 before you would be able to see year-round passage. However, even if that were the case there are other physical limitations, such as draft limitations. It is very shallow so it means that only vessels of a certain size and load would be able to transit. It is quite difficult because it is made up of archipelagos and the like. That makes it very difficult to navigate, even if it were to be completely ice-free.

The Chair: That is very helpful, thank you very much. Excuse my ignorance on that.

Q84 **Baroness Sugg:** I think, as you have explained, it is a lot more complex than the ice melting and opening up new shipping routes and obviously it is very difficult to predict what will happen. There are also the different ways of measuring growth, which you talked about.

Has any work been done on the anticipated economic benefits of this change in shipping, such as the destination shipping you talk about? Both for the regional and global economy, what will it mean for that, but also for those local communities? You talked about tourism and experts, but particularly the indigenous communities, is there any analysis of or any predictions for the economic benefits of that?

Morten Glamsø: I do not know any specific analysis about that, but when you are looking at the viability of the routes as a shipowner and operator, you have to look at, for example, things as simple as what are the bunkering prices at the moment or how it is comparable to the shorter distance. The pros and cons you can also look at. You need these

specialised vessels that are more expensive to invest in and ice-strengthen and so on. That also puts a limit on how much cargo you can carry on the routes. You need the winterisation; you need the training of the crew; you perhaps need icebreaker assistance and all that.

What our members have been doing when they have been looking at using the Northeast Passage: will it make a good business case going this way or through the Suez—if they were going to China, for example, with some iron ore from Canada? Sometimes it was better to take the longer route if the bunker prices were low and it was off-season and so on. You have to look from day to day at what will be the best option.

Elise Nyborg: The costs are definitely high and it is no wonder that different companies will evaluate the suitability of the routes for their operations and come to very different conclusions about the commercial feasibility. That being said, the growth in Arctic maritime industries is expected to bring tens of billions of dollars as a whole, so there is enormous economic opportunity there. That extends to local indigenous communities whom it is very important to act in partnership with.

Many companies proactively incorporate this into their strategies to make sure there are benefit-sharing agreements and other forms of community assistance. For instance, in cruise tourism local engagement is particularly important to make sure that when visiting sites that that is done on a community's terms, with their participation and their input. That can also lead to a far more productive and valuable experience for the passengers on board who can then be exposed to a way of life and a way of being that they might not otherwise have been. In that way, they can almost become ambassadors, to a degree, for those communities.

That is not to mention, of course, the pure necessity of shipping for Arctic local and indigenous communities in terms of community resupply, which will become increasingly important as land-based infrastructure may be compromised by climate change. For instance, ice routes, which you have particularly in the Canadian Arctic, which are used to supply local communities with essential fuel, medicine and food, are becoming vulnerable as they are melting. Yet the melting is allowing shipping to come in and that can bring increased benefits to those communities.

Definitely, the interaction between shipping and local indigenous communities is an important one and it is one that should be a driver for more sustainable shipping in the region.

Q85 **Lord Teverson:** The Arctic, as we all know, remains a hostile environment even though some of the ice is retreating. How challenging is it for shipping to operate in the Arctic and how does the industry manage those risks? Presumably the insurance premiums are high—I do not know—so this is about risk management.

Morten Glamsø: It is, as you correctly pointed out, an area with a harsh environment. Even though we also may be looking into less ice coverage later on for these transit routes we have been talking about, we should

also be aware that even though it is going down from 8/10ths to 1/10th of ice coverage, there is still the risk of ice. We cannot just keep full speed ahead, because there is a risk of colliding with some ice. We have to sail slower. That is one thing. You also have to know that you are in the Arctic and what is out there.

One thing that my colleague mentioned in her introduction is the Polar Code. It is an important tool that was developed just across the river at the International Maritime Organization. It is setting a standard, so we are making sure that those operating in the polar region, including the Arctic, know what they are doing. There are some technical requirements, there are some training requirements and so on. That is what our members also were very actively involved in because they had many years of experience from operating in the Arctic. My point is that you have to know what you are doing, even with less ice, when operating in the Arctic, so you cannot just come there.

Lord Teverson: Who enforces that Polar Code? Is it port state control? Has there ever been a prosecution?

Morten Glamsø: Not that I am aware of, but you have to have your procedures and they have to be approved either by your flag or your recognised organisation. You have to have a plan for operating in the Arctic. You also have to have the training requirements. If you do a port call, the port state can do a port state control check that the training requirements are fulfilled.

Elise Nyborg: To add on to what has already been said, ice is the most predominant physical risk in the region, undoubtedly, but as I touched on in my previous answers, the risks extend far beyond that. Both in a physical sense and in a broad variety of ways, there are different risk categories to consider. The Arctic is such an unusual environment that it requires a very proactive approach to managing risk and new ways of handling that risk; hence the importance of frameworks such as the Polar Code, which can act as a tool in that regard. Undoubtedly the management of risk is an area where industry would benefit from more support, more information and more data to aid in its risk management approaches.

To touch a little bit on the different types of risk that you see in the region, the lack of search and rescue infrastructure is an extremely important one, also lack of oil spill response in that regard. All of this is exacerbated by the extreme climatic and physical conditions: polar nights, not being able to see the sun for six months a year; extreme weather, which makes certain routes or certain coastlines unviable for certain kinds of activities, such as the western coast of Greenland, for instance, where you do not tend to see cruise operators as much, or the southern part of Iceland, just because the weather conditions are so extreme; also extreme cold.

All of these require specialised adaptation to vessels and the like. Of course each company will have a different risk threshold, depending on

the activities that it is doing, and will also proactively adopt certain strategies to mitigate that risk, whether that is, for instance, using different types of fuels that would be easier to clean up in the event of an oil spill, to account for the fact that an oil spill in the Arctic is a very dangerous thing; or if you were a cruise operator, making sure that you have smaller cruises rather than larger cruises, in which case the risk of an accident would be much higher; and making sure that you keep your passengers on board a vessel if it is not safe to disembark.

One thing to mention is that climate change is enhancing these risks, both introducing new ones and exacerbating previous ones. Although climate change is making the region more accessible and making ice thickness and extent retreat, it is also changing the behaviour of ice, making it more unpredictable. The physical qualities of ice are changing in a way that ships were not designed to adapt to. Beyond ice alone, it can cause an increase in the—I apologise, I have forgotten the English word. The temperature of the ambient air versus the water will become more extreme and that can lead to damage to vessels, such as with ice spray.

All of that, in addition to the risks that could be posed to existing infrastructure by sea level rise, is important to keep in mind. Of course some of these risks are mitigated by advances in technology and that is something that needs to be provided a larger focus in the future, as well as increasing the decision-making ability of companies which operate in the region.

- Q86 **The Chair:** I can see the risks involved in transiting the Arctic, the costs involved, the lack of search and rescue and all that. You may not be able to have this number at your fingertips—somewhere in the written evidence it does say it is quite a long way—I cannot remember whether it was China or Japan to Hamburg you save 6,500 kilometres. How much money would that save if you were in a cargo ship? If it is significant, it might be worth investing in some of these things, but if it is not very much I cannot see that there would be a huge increase in transit traffic. How much money would it save, saving 6,500 kilometres of passage? Obviously, it depends on different ships and how old or modern they are, but could you give us a ballpark figure?

Morten Glamsø: Of course, it is also dependent on the actual fuel price and so on, but you have to remember it is not just the distance, it is how easy it is to navigate these waters. Will there be ice? Will there be a delay issue? Are you arriving at the time you are supposed to arrive? All these things you have to take into consideration.

The Chair: I wondered whether it was a significant amount or marginal.

Morten Glamsø: Normally when we talk about this, for example, going from Rotterdam to Yokohama through the northern sea route compared to the Suez, the difference in distance—I am not talking about in the price of the bunkering and so on—is 37%. But if you are going from Rotterdam to Ho Chi Minh City it is actually longer going the northern

way. You have to also see what your ports of call are and where you are going.

The Chair: I can see there are many variables.

Morten Glamsø: I do not have a figure for how much it would be, but all these things you have to take into consideration. Another thing I have been told from our membership is that it is good that you have something going east but it would be better if you also had something to carry when you go back. You have to also take into consideration, whether or not it is a feasible route.

Q87 **Lord Teverson:** I will come back on search and rescue but, first, in terms of cartography, you mentioned shallow seas. How well is the seabed mapped in terms of navigation? Perhaps GPS does not work so well in the High North. Are those things that have to be fixed by the international community or is it fine?

Morten Glamsø: Coming from the Kingdom of Denmark, I should respond to that, but you are absolutely correct that there are challenges with the surveys and the navigational charts in the Arctic region. Some areas are better surveyed than others, but also the datum of the charts might not be correlating with the GPS signal. There are many issues. The Arctic states have to look into this, especially with more activities in the Arctic region. Of course, you can prioritise—the Greenland waters, for example, is quite a huge area to survey so you have to prioritise where you will do the survey and update the ground surveys. Yes, it is a challenge. That is the least of what I can say.

Elise Nyborg: I completely agree. It is definitely a major barrier. Although the barrier is not equally geographically distributed, there are parts of the Arctic that are better mapped than others, where countries have put more resources. For instance, the Russian coastline has quite sufficient bathymetric data. However, the Canadian Arctic and contrast is very limited in that regard. One other element of that is as climate change is changing coastlines, it is also creating areas where there previously was not any data. That is changing how operators are navigating the region. It is essential for the decision-making capacity in terms of planning forward for new routes.

The potential of a transpolar sea route, for instance, has very limited bathymetric data. There is a massive amount of research we need to go into to understand the conditions and plan out the most viable routes. In this regard, the UK, being home to the UK Hydrographic Organization and other bodies of that nature, would be very well placed to invest more in that regard; also, with its scientific expertise, to get a more standardised and comprehensive view of data, and one that is more real-time, rather than relying on out-of-date ice charts that are slow to update and the like.

Q88 **Lord Teverson:** That is very useful. Very briefly, on search and rescue, one of the Arctic Council's great positives was getting search and rescue

sorted out. Now that it does not speak to Russia any more, is that a problem? Would either of you take a cruise ship to the Arctic? Because on large tourist ships, which I think will increase, what are the chances if something goes wrong—and it can go wrong, if we think of the Italian cruise liner off the Italian coast, stupid things happen on occasions—and is this not a real danger? First, is search and rescue with Russia working—does that still operate?

Morten Glamsø: It is the Arctic Council's Agreement on Cooperation on Aeronautical and Maritime Search and Rescue in the Arctic that was signed in 2011 that you are referring to. It was a very good step from the Arctic Council's side to do this. It also did this with the Agreement on Cooperation on Marine Oil Pollution Preparedness and Response in the Arctic. We have been talking a lot about search and rescue but also you can have incidents involving marine pollution. That is also something we have to be aware of.

Resources for assisting in these are limited in the Arctic region so of course co-operation between the responsible Arctic states is important and needed because one single Arctic state cannot, with the current resources, cover its own area.

I am not sure about the status of these agreements in the Arctic but our members are not using the northern sea route any more, and that is because of the Russian attack on Ukraine and the sanctions now imposed on Atomflot, the only provider of icebreaker assistance in the northern sea route. For hull and machinery insurance you apply to have a contract for assisting, if there is need for icebreaker assistance, and you cannot go into this contract with Atomflot because it is on the UK/US/EU sanctions lists.

Lord Teverson: So you are dead, effectively?

Morten Glamsø: Yes.

Q89 **Lord Anderson of Swansea:** Getting back to the environment, in 2015 another committee of the House of Lords made an inquiry into the Arctic and it heard evidence that the environmental provision contained in the Polar Code may be inadequate to protect the Arctic's ecosystem. It recommended, for example, that the regulatory regime be regularly reviewed to ensure that there are adequate measures to limit the impact of black carbon, heavy fuel oil spills and discharge of ballast water, which pose a serious risk to the Arctic environment. What is the industry doing at the moment in this respect? Are there the regular reviews that were envisaged by our predecessor committee?

Elise Nyborg: The industry has been extremely proactive in this regard as the protection and conservation of the Arctic environment, being as critical and vulnerable as it is, is essential to safe operations in the regions. It comes hand in hand with safety; an oil spill is also a safety concern. It is in industry's best interest to manage this as effectively and also with as much innovation as possible. In that regard, industry has been a driver for the standards that have been set—most notably the

Polar Code, as adopted by the IMO in 2017, but also with other measures that we are currently seeing being introduced, such as a ban on heavy fuel oil, which will enter into force in 2024.

Already in 2019 the cruise sector had decided to shift away from heavy fuel oil, again setting that standard. Now we have a coalition of companies that are working to go above and beyond and look towards using distillates, rather than very low sulphur fuel oils, which is going above what current regulation demands. Industry would say in this regard it has always been very proactive and, depending as well on the particular operations and questions, these will introduce different environmental challenges. For instance, for cruise in the area, there is the Arctic Expedition and Cruise Operators Association, which provides a forum for development of best practice—a guideline for sustainable cruise tourism in the region. In addition, there have been proactive approaches towards reduction of plastics, taking into account the fact that there is limited infrastructure in the region, there is not anywhere to dispose of single-use plastics, making sure that you do not carry any in the first place.

There is a lot that the industry is doing in different regards: switching to different fuels, adopting more sustainable procurement and operational practices, conscious of where it travels. I think we will continue to set standards in that regard.

One thing to mention is that it can also help drive scientific advancements in the area. For instance, the NGO ORCA works with shipping companies in the region to use vessels as a platform for scientific observations. That helps scientists in monitoring and tracking vulnerable cetacean populations, while also of course adopting measures such as slowing down speeds or routing measures.

It is important that we continue to develop an understanding of what the impact of shipping is because that is still not fully understood. That information is also necessary for companies to be able to make informed decisions about their operations and continue to support a move towards alternative fuels in the region, which will introduce questions around the safety and viability of different alternative fuels. The expansion of the Polar Code to vessels that currently are not included and making sure that after a sufficient period of time data is collected on the Polar Code and its efficacy is reviewed accordingly—we would all support that.

Morten Glamsø: I fully agree with my colleague, but I would also like to add that in this respect, when making regulations on these important issues—climate, plastic, and so on—it has as far as possible to be done under international regulations. For example, I am again referring to the house just across the river—the IMO—where I am attending a meeting. In addition to that, to go back to a previous remark, to achieve a result in these areas the regulation has to be able to be enforced. It is not just putting on the regulations, but you have to do enforcement of it.

Lord Anderson of Swansea: Clearly much is being done. Does that

obviate the need for formal regulatory reviews?

Elise Nyborg: The Polar Code has been a very successful step in creating a consolidated guideline in a region where there previously were not any guidelines in such a comprehensive manner. However, we are not in a place where we can effectively evaluate how effective it has been yet. There is a need for more data collection to review it in that regard to then make adjustments accordingly through the IMO.

The Chair: Lord Robertson, I do not know if that was an answer to your question.

Q90 **Lord Robertson of Port Ellen:** It is, in many ways. I was going to ask whether the Polar Code and the United Nations Convention on the Law of the Sea are robust enough to deal with the area, but I think you have covered that.

I wanted to ask about the regulations the Russians have now brought in, in addition to existing regulations. Have those had an impact on shipping and the volume of shipping in the region?

Morten Glamsø: I can make reference to the experience our member companies have had from using the northern sea route. It is correct, it made it more complicated, but before the war, if you were a regular user of the northern sea route, it was possible you had a good dialogue with the Russian authorities. They had some earlier requirements that you should have an icebreaker escort, but if you had an ice-strengthened vessel and you were used to navigating these waters then you did not need to be escorted by an icebreaker the entire route, but it had to be on readiness.

Beforehand it was possible, but there were of course some administrative things and some requirements you had to fulfil doing these applications and getting permission to use the northern sea route.

Q91 **Lord Robertson of Port Ellen:** Any sign of Chinese shipping starting to utilise the Russian facility?

Morten Glamsø: I am not following the Chinese that closely, but I could perhaps add that the Russians required that it was Russian-flagged vessels that should transport, for example, LNG out of Russia. But then they realised that they did not have any Russian-flagged vessels capable of it, so they made it that if you had an existing contract, you could use those vessels. They made some relatively limiting strengthened rules, but they also had to adjust them accordingly.

The Chair: We are running out of time but I know Lady Coussins wants to ask a question. If you could both be reasonably brief, that would be great.

Q92 **Baroness Coussins:** I think my question is just for Ms Nyborg. I wanted to wind up by asking if you had any specific recommendations for steps that you would like to see the UK Government take to support the UK shipping industry in developing its business in the Arctic—obviously, in a

safe and sustainable way.

Elise Nyborg: Absolutely. There is a lot that the UK could leverage in regards to its diplomatic presence, so increasing engagement as an observer at the Arctic Council, also looking towards other bodies in the region, such as the Barents Euro-Arctic Council, which we did not touch on, but it has joint exercises in regards to search and rescue, supporting what is currently happening in the region and maintaining that sense of co-operation. However, there is also a lot that can be done in making the UK an attractive place for Arctic business.

For instance, in the context of cruise, you might see parts of Scotland become almost a gateway to the Arctic, so a departing point that could also take advantage of the strong cultural ties and heritage between Scotland and the Nordics. It is important in that regard that the departing point is as attractive as the arrival point to make sure that cruise operators are able to enjoy those benefits.

Ensuring the provision of alternative fuels and technologies like shore power at Scottish ports, and focusing on, outside of a cruise perspective, a freeport system that takes advantage of the current initiatives that are being done in Scotland around freeports to allow for transshipment location, that could reduce the need for specialised vessels to go any further outside of the region than they have to and also be a loading point for the export of renewable energy and fuel as that develops.

Another element is ensuring that the UK is an attractive commercial environment for services such as maritime insurance and classification societies. That is particularly important. In general, the UK could also take advantage of its wealth of knowledge scientifically and connect that with industry. I believe there might be a gap in that regard about putting together those two sides in a way that can benefit both science and industry to move forwards for more sustainable shipping.

Morten Glamsø: May I make a short additional comment? I also think it is important when you are looking at opportunities for the Arctic to have engagement and support from the Arctic authorities and states and that the project supports the local populations in the Arctic in developing the basis for continual growth and welfare in those societies. That is also fundamental when engaging with the Arctic region.

Elise Nyborg: One final comment I would make is that the UK could also learn from its experience in the Antarctic, where it has had a very active presence, and take those lessons that can be learned in the Arctic to make sure that there are synergies between the polar regions and the UK's engagement on both ends. I think it would be very valuable.

The Chair: Thank you so much for coming in. At the risk of sounding like a technophobe, it is very nice to see you in person. We appreciate you giving up the time, so thank you. I remind you that we will send you a transcript and you will be able to correct any small problems there. With that further thanks, I declare the public session closed.