Arctic Energy in EU Policy: Arbitrary Interest in the Norwegian High North
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ABSTRACT. In challenging times for European energy security, the European Union (EU) is seeking to extend its energy policy powers. At the same time, with its message that the High North represents diversification away from less stable energy regions, Norway is trying to get attention in Brussels. This article inquires into the place of Norway and its Arctic oil and gas in the processes of developing an Energy Policy for Europe and the Northern Dimension Initiative. Central questions to be addressed are whether Norwegian Arctic areas are emerging as a new energy region to rely on for diversified oil and gas imports for the European Union, and whether Norway, as a small state but a major energy exporter with a considerable part of the Barents Sea shelf, is able to take advantage of this position in its diplomatic relations with Brussels. The study shows that Norway has managed to use its Arctic oil and gas to create awareness of the Norwegian High North in Brussels between 2006 and 2008, but these efforts have not resulted in more active political interest on the part of the EU. A combination of institutional confusion in the EU, lack of coherence and clarity in the Norwegian High North initiative, and Norway’s established reputation as an energy supplier place important constraints on the prospects for more concrete political attention from the EU, and thus on Norway’s ability to take advantage of its High North oil and gas in a foreign policy context.

Key words: Arctic, High North, Norway, European Union, oil, gas, Northern Dimension, Energy Policy for Europe

INTRODUCTION

Over the past few years, international attention to the Arctic has increased dramatically. Key actors such as the United States, Russia, Canada, Norway, and the European Union (EU) have already developed new Arctic strategies, and interest in the Arctic Council is also growing, for example, within non-Arctic states such as China and South Korea (Hansen, 2008a, b; Young, 2008). These developments are motivated by a complex set of factors, including climate change and thaw of the polar ice, a projected increase in economic activity (shipping and energy development), and unresolved border issues. A great deal of the motivation lies in the potentially huge oil and gas resources in this region, which includes the European Arctic with its Barents Sea, the geographical focus of this article.
In Norway, the recent wave of political and public interest in the Arctic dates back to around 2002–03. This interest materialized in public documents on the topic in 2003, and in 2006 found its most concrete expression so far in the Norwegian government’s High North strategy (Norwegian Ministry of Foreign Affairs, 2006). During the first years, it was not the circumpolar Arctic that triggered attention in Norway, but the Arctic areas adjacent to Norway, called the High North. (For a thorough analysis of Norwegian High North policy and discourse since early 2000, see Honneland and Jensen, 2008.) The High North strategy assumed that an interest in the Arctic already existed among actors such as the EU, and it aimed to take advantage of this interest. However, it soon became clear that interest and knowledge about the Arctic in Brussels were not as great as Oslo had assumed. Consequently, by using what was believed to be a significant energy potential in the Barents Sea, Norway wanted to draw political attention to the country and the High North region from a Europe that increasingly needed to diversify its energy supplies. Establishment of so-called High North dialogues with the European Union was identified as the manner in which to draw attention, and the Barents Sea was to be presented as a new oil and gas province that could contribute significantly to EU energy security.

In an ever-tightening world oil and gas market, Arctic resources might become a foreign policy asset for states with territory in the region, as importing states and companies alike start looking for new energy regions to be explored. This article focuses on Norway’s ability to take advantage of its Arctic resource in its relations with the European Union. It addresses the following questions: Is the Barents Sea emerging as a new energy region to rely on for diversified oil and gas imports for the European Union? Can Norway—as a small state but major energy exporter, with a considerable part of the Barents Sea shelf—take advantage of this situation in its diplomatic relations with Brussels? More specifically, how has EU policy responded to the energy component in Norway’s High North diplomacy, and to what degree? The time scope stretches from 1997, when Finland initiated the Northern Dimension Initiative, up until January 2008, when José Manuel Barroso became the second European Commission (EC) President ever to visit Norway. Thus, the article presents a study of EU energy policy in the European Arctic in the very early stages of the generally increased political interest in the circumpolar Arctic.

One important factor examined is how EU policy-makers define the situation in which they develop their approach to Norwegian High North policy. The literature on foreign policy analysis holds that the manner in which policy-makers define situations becomes another way of expressing how the state is oriented to action, and why (Snyder et al., 2002). The actor defines the situation in terms of the way he “relates himself to other actors, to possible goals, and to possible means, and in terms of the way means and ends are formed into strategies of action subject to relevant factors in the situation” (Snyder et al., 2002:64). An evaluation of how EU policy-makers define Norway as an energy producer and supplier, along with other energy policy considerations, will provide a tool with which to assess whether Norwegian High North energy policy is viewed as relevant for EU energy policy.

**NORWAY’S HIGH NORTH POLICY AND EU ENERGY SECURITY**

In 2005, the Norwegian Government (2005, 2007) declared the High North its number one priority for both national and foreign policy. The High North initiative encompasses a variety of issue areas from domestic to foreign policy. The Barents Sea as an oil and gas region is high on the list of issues discussed, along with fisheries, jurisdictional issues, climate change, and environmental policies. One of the main ideas behind the High North initiative was iterated in a white paper from the Norwegian Ministry of Foreign Affairs (2005), which acknowledged the need to develop an overall approach to the High North that coordinated and balanced different interests and policies in the region.

The realization that the High North was not as strategically important to key allies as it had been during the Cold War was an important motivation for directing attention to the region. The Foreign Ministry assumed that Norway was now more on its own in the region, although the United States still had a certain focus on the area as part of its global strategy. The previous Norwegian government had already stated in 2001 that “a sharper focus on non-military factors that impact allies’ security [was] central” to keeping attention on the High North (Norwegian Ministry of Foreign Affairs, 2001:47). The fear, from both energy and security points of view, of being marginalized and left alone with Russia in the region was thus a major reason behind the High North initiative.

It is difficult to pinpoint the specifics of the High North policy, but it is clear that the external dimension of the policy is divided in two main pillars: bilateral relations with Russia and High North dialogues with key allies, such as the United States and the EU. The content of these dialogues has been quite vague and dynamic, but the Barents Sea as a future energy province clearly has an important place. To the EU, Norway has stressed two aspects of energy in the High North. First, the resource potential is significant: the Barents Sea might become Europe’s new energy province. Second, Norway is a stable energy supplier in an unstable world, offering secure and predictable framework conditions for international companies operating on the Norwegian Continental Shelf. The EU, seeking to increase energy security and promote the interests of European companies abroad, should direct attention to these favorable conditions. Thus, the High North is presented as a sizeable energy region in which Norway can play an important role for future development. In a speech in 2006, Norwegian Foreign Minister, Jonas Gahr Store (2006) said:
The emergence of the Barents Sea as a new European energy province adds a renewed interest to the whole region. Fifteen years ago we sought to bring European officials to the north to introduce them to the Arctic realities. Today, they come all by themselves, driven not by altruism but by legitimate self-interest.

The more specific content of Norway’s High North policy that EU policy-makers must relate to concerns Norwegian regulations regarding the pace of resource development and environmental standards in the region. These are specified in the 2006 Management Plan (Norwegian Ministry of the Environment, 2006:122–126) and the High North Strategy (Norwegian Ministry of Foreign Affairs, 2006). The Management Plan specifies areas that are not to be opened for exploration activity (northern parts of the Barents Sea and the sea areas west and north of the Lofoten Islands, as well as particularly vulnerable sections of the southern Barents Sea), and the High North Strategy summarizes Norway’s priorities in the High North, which include aspirations to “provide a suitable framework for further development of petroleum activities in the Barents Sea” (Norwegian Ministry of Foreign Affairs, 2006:8).

In 2000, the European Commission projected that the EU’s energy-import dependence (the share of imported energy in its total energy mix) would reach about 70% for gas and 90% for oil by 2030 (EC, 2000:20). In 2007, those numbers had risen to 84% dependence on imported gas and 93% dependence on imported oil (EC, 2007a:3). At the same time, oil and gas prices remained high during the period studied here, and opportunity-constrained international oil companies were looking for new areas to explore and develop as an ever-greater share of the world’s resource base was in the hands of national oil companies. In the European Community, scepticism about the market as a guarantor of stable and diversified supplies was growing. Consequently, energy security emerged as a top priority, and the energy field was politicized by integrating energy policy to a greater extent into foreign policy.

With the aim of increasing EU energy security, here understood as diversification of oil and gas imports, the Commission has initiated and sought to strengthen energy dialogues with important oil and gas producers such as Russia, Algeria, and Norway. Efforts have also been undertaken to develop a common Energy Policy Europe (EPE). Moreover, the European Union has a formal policy for northern Europe through its Northern Dimension Initiative (NDI), and energy security formed part of the motivation underlying that initiative (see, for example, Lipponen, 1997). These developments should represent a golden opportunity for Norway with its High North initiative.

METHODS AND DEFINITIONS

The EU approach is defined as EU actions toward Norway that are related to energy in the High North. These actions may be in the form of oral or written official policy, or they might be more specific acts undertaken by EU officials, such as participation at official or unofficial meetings with Norwegian policy-makers on High North energy issues. Or the approach may simply be non-action.

Since Norway’s present High North policy is relatively new, it is not likely that we will be able to see its impact in formal policy documents within the EU at this point. The EU approach is therefore studied in both formal and informal policy. Formal policy is defined as policy documents, as well as public speeches and statements by EU officials. Policy documents from the European Commission, the Council of the European Union, the European Parliament, and the European Council pertaining to an Energy Policy for Europe and the Northern Dimension Initiative were examined, as well as official statements from EU-Norwegian energy interactions. Documents and speeches were found in the Eurlex and Rapid databases and on the Norwegian government’s search site. Informal policy includes views that EU officials have expressed in meetings about the High North (with Norwegian officials or others) as long as the meetings have not produced official statements. Informal policy also means EU officials’ descriptions of the EU approach to the topic at issue. Informal policy was identified by examining the data gathered from 31 semi-structured interviews with representatives of the EU Commission, the Parliament, and the Council during the summer of 2006 and the spring and summer of 2008. Interviewees included Norwegian government representatives in Brussels and Oslo, as well as EU officials in Oslo. Finally, I interviewed energy industry representatives and experts on EU energy policy.

EU INSTITUTIONS AND ENERGY POLICY

The European Commission is the most relevant point of contact for Norway in the process of trying to affect EU energy policy-making process. The Commission does not have legislative powers, but works as an agenda setter and policy proposer, and it is also the executive institution within the EU system.

Another main institutional structure in the EU is its Parliament, the largest multinational parliament in the world, with 785 national representatives directly elected in the member states every fifth year. Introduction of the co-decision procedure has significantly extended the Parliament’s decision-making powers vis-à-vis the Council of the European Union. The co-decision procedure is now by far the most common decision-making procedure in the Union (for more details on the procedure, see Bache and George, 2006).

Traditionally, the Council of the European Union has been the primary decision-making institution in the EU. (This Council is not to be confused with the European Council, which is an assembly of EU heads of state or government and the president of the Commission.) Since ministers of the member states meet within the Council of the
EU, it is also often referred to as “the Council of Ministers,” or often just “the Council.” Depending on what issues are to be discussed, member states send their ministers of foreign affairs, energy, transport, and so on to the Council sessions. Like the Parliament, and unlike the Commission, the Council has legislative powers.

One can expect institutional factors within the EU to shape the EU response to Norwegian High North energy policy. The Commission is in a unique position to manipulate both domestic and international pressures on national governments to advance the process of European integration, even when governments might be reluctant (Bache and George, 2006:9). The Commission is the policy initiator and, except in rare cases, “enjoys a monopoly of legislative initiative” (Scapacci, 1998:36). When Commission proposals are adopted by the Council, they usually contain a large portion of the original proposal text (Hull, 1993:83). This agenda-setting role makes the Commission a crucial body for influencing the details of policy proposals (Bache and George, 2006:340), as the drafter is also usually in need of ideas and information (Hull, 1993:83). It is therefore relevant for Norway how policy-makers within the Commission relate to Norway and the Barents Sea as an oil and gas region at this early stage of the policy-making process.

What is clear, however, is that the foreign dimension of energy still belongs within the competence of each member state, and the EU has been unable to include energy in its treaties thus far. Consequently, the Commission lacks competence for its external energy policy. Despite certain internal differences between various Directorates General (see Usherwood, 1998:122), the Commission has worked to extend its competence within the energy field. It has consistently sought to take advantage of external windows of opportunity to launch common energy policy proposals, including proposals for a common policy on security of supply (Matláry, 1997:58–61). Developments in the Commonwealth of Independent States (CIS) and Eastern European countries after the collapse of the Soviet Union represented such a window. The EU-Russian energy dialogue is an example of a concrete energy-policy process in which the Commission to a considerable extent has been acting on behalf of the member states. Similarly, it might be expected that the Norwegian High North initiative, with its emphasis on the Barents Sea as an energy region, would provide a window of opportunity to a Commission in search of extended energy-policy powers. Moreover, because of lack of personnel, the Commission needs expert knowledge to help develop policy proposals, as well as to support those proposals (Mazey and Richardson, 1993:24). Norway might be viewed as a sort of interest group that, with its expert knowledge on energy developments in the High North, could assist the Commission in developing an energy policy for the Community, as well as a Northern Dimension policy.

The European Parliament plays a relatively small but increasingly important role in the energy sector, and it has a particular interest in the environmental and consumer aspects (Usherwood, 1998:122). The role of the Council of the European Union, or the Council of Ministers, is essentially that of adoption or sanction. Since a “need for common interests to be defined is imposed on member states in their capacity as members of the European Council, (…) the forum for voicing purely national interests remains the Council of Ministers, but by that stage much of the policy-making has already been done” (Matláry, 1997:131). Nevertheless, the Council is the primary decision taker in the EU policy cycle.

Since the final document adopted by the Council usually retains much of the text of the Commission’s original policy proposal, it is important that Norway enter the policy process as early as possible. According to Greenwood (1997:8), “If you have not been able to influence the Commission draft proposal, you have probably lost the case.” Hull (1993) and Greenwood (1997) note some guiding principles for stakeholders who seek to influence EU policy-making processes. The first is to present their strategy clearly and concisely. A clear objective is important even in cases when the aim is only to establish a dialogue and provide a sympathetic ear. Next, since the Commission relies on outside expertise, it is important to do thorough research and base the input on sound and accurate information. It is advantageous to already be established as a useful source of information. Finally, stakeholders who want to affect policy should appreciate the limits of what they can achieve (Hull, 1993). In summary, according to Mazey and Richardson (1993:24), the groups most likely to succeed are those “with an ability to put forward rational and technical arguments which will assist in the formulation of practical policies at the European level.”

Finally, in policy network theory, resource dependencies—the extent to which actors depend on each other for resources—are the key variables in shaping policy outcomes (Rhodes, 1988). In line with this, it is argued that the degree to which EU officials perceive that Norway has something to offer the EU in the process of developing its Energy Policy for Europe or the Northern Dimension Initiative is crucial to the amount of attention paid to Norway.

Norway’s impact will be discussed with these conditions in mind: influence on the Commission draft proposal, clear strategy, and sound and accurate information. The more of these conditions that are fulfilled, the greater the chances are that Norway will be viewed as a window of opportunity by a Community seeking extended energy-policy powers and can take advantage of its Arctic oil and gas resources in its relations with the EU. From the above, it seems logical to expect that, to the degree that the EU shows an interest in Norwegian energy policy in the High North, this interest will be greatest within the Commission. Yet, the more the topic is included in documents of the Council and the Parliament, the more impact Norway will have exerted on the EU policy processes studied.
ENERGY IN THE HIGH NORTH – FORMAL EU POLICY

The Northern Dimension Initiative

In 1997, Finnish Prime Minister Paavo Lipponen presented the Northern Dimension Initiative publicly for the first time (Lipponen, 1997:30). The interim report that followed noted that “the strategic importance of the North’s natural resources is foremost to both the region and the Community” (EC, 1998:5–6). The emphasis on the energy resources in the Barents region within the NDI is also noted by Arter (2000:683). The long-term potential for exploitation of the oil and gas resources in the NDI region is mentioned in all ensuing NDI documents, with one exception: the 2001 inventory of current activities (EC, 2001). However, the subject is not treated in much detail. Some priority projects, like the Shtokman field, are noted, but nothing more seems to have come out of it.

Up until 2004 the Arctic was seen mostly in connection with nuclear safety in northwestern Russia and the generally vulnerable Arctic environment. However, the three most recent progress reports (EC, 2005, 2006c, 2007f) treat the Barents Sea as an oil and gas region with separate bullet points under the heading of energy, where the focus is on Norwegian energy policy in the High North. There is no mention of Russia:

Following the Norwegian Government’s decision to allow petroleum activities to be resumed in the Barents Sea in 2003, exploratory drilling is underway. There is expected to be keen interest from European companies in the 19th licensing round. The vulnerable environment and potentially significant petroleum reserves in this area also present a significant technological challenge (EC, 2005: par. 3.2.2.4).

The 2006 progress report (EC, 2007f; par. 3.2.2.4.) also takes note of the Norwegian High North Strategy, as well as the Integrated Management Plan; however, it is not more specific about concrete EU policy priorities.

The Council and the Parliament have been less involved in the NDI than the Commission. Nevertheless, the Council has been the driving force behind emphasizing the Arctic as a separate area within the Northern Dimension framework. It has noted the strategic potential of the northern regions, but also stressed that the Northern Dimension should concentrate on environmental policy (Council of the European Union, 1999: par. 2). Like the Council, the Parliament seems to have a basically circumpolar understanding of the Northern Dimension area. Moreover, the Parliament has expressed concern over “the tendency to over-emphasize the exploitation of fossil fuels and neglect the significant role which renewable sources of energy could play in the region” (European Parliament, 2003: par. 6).

A 2006 framework document states that Russia, Norway, and Iceland are to be included as equal partners with the EU within the New Northern Dimension (Northern Dimension, 2006a). There is no mention of the Barents Sea as an energy region, nor was this topic discussed during drafting of the document, according to one Norwegian official who participated in the process. There are plans for developing a partnership for transport and logistics (Northern Dimension, 2006b: par. 6), but it is not clear whether or how Arctic oil and gas will link into this partnership. The fact that the Northern Dimension is no longer purely an EU process might make it less relevant in the future as an arena in which Norway can affect EU policy.

Arctic oil and gas are not treated as particularly important in the Northern Dimension, but are simply included among the factors held to give the region importance and relevance for the EU (see, for example, Michel, 2005 and Patten, 2001). There have been only a few official speeches on the Northern Dimension from EU representatives. Representatives of the Commission’s Directorate General for External Relations have been the most active ones. I found only one speech that discussed more specifically the role of Norway and Russia’s northern energy resources in the Northern Dimension region (Patten, 1999). The dearth of speeches on the Northern Dimension from the Energy Commissioner adds to the impression that the initiative does not play a vital role in the energy security policy of the Union.

In sum, we may conclude that yes, there is awareness of the High North as an energy region within the NDI. It has been included in policy documents both independently of and as a result of the Norwegian High North initiative. However, its inclusion has not led to concrete policy initiatives or resulted in more active interest. Note that scholars (e.g., Catellani, 2001) have widely viewed the Northern Dimension Initiative as quite vague and general in identifying objectives and concrete actions. This general vagueness might of course have contributed to the lack of concrete policy on the High North as an energy region.

An Energy Policy for Europe

Energy issues were placed high on the agenda by the British EU Presidency at Hampton Court in October 2005. Since then, energy security has gained political and public momentum. The term “the High North” first featured in EU energy policy papers in a 2006 Green Paper, which notes that “attention should be given to facilitating Norway’s efforts to develop resources in the high north of Europe in a sustainable manner” (EC, 2006a:16, par. 2.6). In its follow-up to the Green Paper, the Parliament does not mention the High North, but underlines the importance of good relations with the EU’s major energy supply partner countries, “particularly Norway, which remains the third largest oil producer in the world and which offers a stable energy supply and also has a proven track record of relations with Russia in the energy sector” (European Parliament, 2006: par. 5).

The 2006 Green Paper was confirmed in the Presidency conclusions of the European Council of 23–24 March
Norway. For example, according to de Palacio, “more open energy exploration and production in the North” (Piebalgs, 2005:2), and that “none doubt the enormous energy potential of this region” (Piebalgs, 2005:8). He has also used the term “High North,” stating that “the EU needs to take tangible steps to support Norway’s efforts to open the high north of Europe to energy development in an environmentally responsible way” and that “this will represent an important element of the EU’s future security of energy supplies and merits our strong backing” (Piebalgs, 2006a:7). This view must be interpreted as a firm interest and belief in the energy potential of the region, especially since it was expressed at a conference in Brussels with a general European audience. Most of the remaining 22 speeches and press releases studied here mention Norway, but without reference to the High North.

Commission President José Manuel Barroso has talked about Norway and the High North in his energy-related speeches on two occasions, and both times Norwegian Foreign Minister Jonas Gahr Støre also made presentations. In 2006, Barroso noted that by not opening up particularly sensitive areas, Norway follows “the sort of coherent, multi-dimensional approach to energy policy, maritime policy and environment policy, which the Commission is also adopting” (Barroso, 2006). Thus, the Commission president has given full support to Norway’s policy regarding the pace of development in the region. During his visit to Norway in February 2008, Mr. Barroso said that Norway’s High North policy was “of great interest to the EU” (Barroso, 2008), without being more concrete. In his few other energy-related speeches, the Commission president has mentioned the importance of Norway as an energy supplier to Europe in general terms, but, like Piebalgs, he also emphasizes the special significance of EU-Russian energy relations to the Community’s energy security (see, for example, Barroso, 2007).

In sum, Norway features prominently in most of the policy documents that constitute the process toward a common energy policy for the EU. It is the Commission that mentions the Barents Sea and the High North, terms not found in sections of Parliament or Council documents dealing with energy policy. By and large, the documents and speeches show that Norway’s importance as an energy supplier to the EU is significant, and it is expected that Norway will increase its gas exports to Europe (EC, 2007c). However, the High North is generally not included in the picture. The term “High North” seems to have entered the EPE process in 2006, both in documents (the Green Paper) and in speeches (Barroso, 2006; Piebalgs, 2006a). Interestingly, in 2005 Piebalgs came to Kirkennes in North Norway to talk about the energy potential of the region—without ever using the term “High North.” Thus, there is awareness of Norway’s High North energy policy within both the EPE and the NDI processes. However, the EU’s initial interest in the High North does not seem to be followed up with more concrete initiatives or frequent mentions. What seem to be more important are concrete topics in EU-Norway energy relations, such as cooperation on carbon capture and storage (see, for example, EC, 2007d, e) and Norway’s inclusion in the Energy Community Treaty for South Eastern Europe (ECSEE).

The Commission has included Norway and the High North in formal policy formulations to a greater extent than the Council and the Parliament have done, indicating that the topic of the High North has reached only a certain level
in formal EU policy processes, especially within the EPE. As argued earlier, policy is initiated at the Commission level, so there is great potential to influence its direction at that point. However, when documents reach a higher level in the policy process, the High North as an oil and gas province seems to vanish.

ENERGY IN THE HIGH NORTH – INFORMAL EU POLICY

2006 – Low Attention

Awareness of the Arctic in an energy perspective was generally low among EU policy-makers in 2006. For example, one interviewee who was working with energy issues within the Council had never heard talk about the Arctic in an energy perspective within the EU. Indeed, EU engagement in institutions like the Arctic Council was not very high at the time. An official within the Commission said that different parts of the Commission are encouraged to be involved in these institutions, but that Commission officials first focused on the central European agenda, and then, if any time was left, they could focus on other issues. It would appear that Europeans did not perceive the Arctic as a relevant region in 2006. (See Offerdal, 2007 for more about the Arctic Council, including an assessment of its work related to oil and gas.)

Without exception, the interviewees mentioned Russia’s Shtokman field in the Barents Sea as a major future potential energy source for Europe. They noted that the Shtokman project was perhaps the only specific project in the Arctic that is discussed in the EU. Thus, little awareness of or interest in the Norwegian part of the Barents Sea existed among EU policy-makers in 2006.

During an international energy relations conference organized by the European Commission called “Power through Energy: The EU and International Relations of Energy,” which I attended in 2006, the Arctic was not mentioned with one word. The same was true in November of that year at another energy policy conference, where most relevant high-level EU officials gave presentations without ever referring to energy in the High North (European Communities, 2007). Clearly, EU policy-makers did not pay much attention to the Barents Sea as an oil and gas region. Even though Norwegian energy policy in the High North is mentioned in later Northern Dimension documents, interviewees closely involved in the NDI did not differ from other interviewees in their approach to the Barents Sea as an oil and gas region. Moreover, except for two persons working directly with Arctic issues in the Commission and the Parliament, most EU officials had not heard the term “High North.” That said, Norwegian interviewees (governmental officials and oil companies alike) and the European Commission’s delegation to Norway argued that although interest was low, it was increasing.

2008 – Increased EU Interest?

A new round of interviews in 2008 showed that the interviewees who had pointed to a higher interest in 2006 had been right in some respects. Awareness of Norway’s High North energy policy had indeed increased among Commission officials between 2006 and 2008. In 2008 most interviewees looked upon the region as important for future EU energy security. StatoilHydro’s Snøhvit project in the Barents Sea was highlighted by many. Moreover, between 2006 and 2008 EU officials had travelled to Norway more often to discuss High North issues and had visited Oslo, Svalbard, and the Melkøya LNG plant processing gas from the Snøhvit field.

EU officials generally tell their Norwegian colleagues that the EU is interested in high imports of Norwegian gas. However, no concrete initiatives have been taken with regard to either Norwegian production in general or the Barents Sea in particular. In fact, according to interviews, Norwegian officials often hear indirectly about EU views on the pace of development through oil and gas companies that EU officials are in touch with.

The great attention paid to Russia, evident in 2006 from the documents as well as the interview data, was also present in 2008, when interviewees described the EU-Russian energy dialogue as important and somewhat intensifying. However, according to EU officials close to the process, the EU-Russian energy dialogue has not dealt with the Arctic. Nonetheless, interviewees noted that Norway’s analyses with regard to developments in Russia were of interest to the EU.

As for the Northern Dimension, energy was not high on the informal agenda up until 2008 either. A possible partnership on transport was being discussed, but the Barents Sea region in an energy security perspective was not included here. Finally, while some EU officials (particularly those working directly with Norway and Arctic issues in the Directorates General for Transport and Energy and External Relations) had heard the term “High North,” others had not.

Thus, comparing data from 2006 and 2008 at the informal level, we can note increased awareness of Norway’s High North policy, but seemingly not increased interest. The Commission did not make concrete initiatives or try to influence Norwegian High North energy policy in any way at the informal level. Interest took the form of EU policy-makers wanting to get updates from Norway on the latest developments on the Norwegian continental shelf, but the High North was not part of an overall EU strategy, nor was it particularly in evidence in the EPE or NDI processes.

HAS NORWAY INFLUENCED THE EU?

Norway has enjoyed relatively good access to the policy-making process within both the EPE and the NDI. This access has resulted in the mention of Norway’s High North
with the expectations outlined earlier, enable us to identify factors likely to contribute to the sometimes seemingly high, at other times absent and thus rather arbitrary, interest in the High North among EU officials. These factors, found both at the Norwegian and at the EU level, are (1) lack of an overarching Arctic policy in the EU, (2) the character of the Norwegian High North initiative, and (3) EU views of Norway as an energy producer and supplier.

Lack of an Overarching Arctic Policy in the EU

While the EU did start to pay more attention to Arctic issues during the last months of this study, the Union had not yet decided on the contents of the Arctic policy or within what policy processes to place it. The EU will probably integrate its Arctic policy to a greater extent into the Northern Dimension Initiative and its Maritime policy. Wherever future Arctic policy may materialize, however, it is likely to focus more on climate change and environmental issues than on energy security.

The Northern Dimension Initiative has not made any real attempts to put energy in the High North on the agenda in a more concrete manner than mentioning its potential for EU energy security. The NDI has thus used the energy potential in the Arctic merely to draw attention within the EU just as Norway has used it in its relations with the EU. That said, the more concrete reference to Norwegian High North policy in NDI documents from 2004 onwards would probably not have been there, had Oslo not wanted to include it. The sections on Norway are formulated in a way that informs about the topic but does not propose concrete follow-up measures.

Thus, energy is used to attract attention, but only in order to talk about what one is really concerned about within the various initiatives. For the Northern Dimension Initiative, this concern is securing the interests of northern European countries within the EU, and for Norway, it is enhancing Norway’s security, economic, and environmental interests. Therefore, when the EPE process—which is exclusively linked to energy, and in which energy security is a crucial factor—does not follow up on Norway’s High North initiative in a consistent and concrete manner, little of importance is left of what seemed to be at least a certain interest in the topic within the EU.

What appears to be confusion within the EU as to where to place Arctic policy and energy policy initiatives might have given Norway the opportunity to reach a number of different actors with its message. However, as long as the EU does not use a single mechanism for dealing with Arctic issues, and as long as the Northern Dimension is not tasked to deal with energy security in any concrete manner, the references to Norway and the High North in EU policy may not be worth much in terms of chances for concrete follow-up. The Directorate-General for External Relations has only a single person handling Arctic issues, and this of course limits the amount of attention the Commission can pay to Arctic issues. To the degree that they focus on it, they
push other topics farther down on the agenda. The result is a poorly coordinated approach to Arctic matters within the EU, despite the EU’s own Northern Dimension Initiative. Diana Wallis, Vice President of the European Parliament and one of the few EU representatives to have shown an active interest in Arctic issues, has described it as follows:

It always seemed to me a shame that over the years we have had a steady stream of Norwegian ministers beating a path to Brussels to present the latest version of their High North strategy. Yet, whilst being politely received, these visits and presentations have not perhaps had the impact they deserved. These have been hugely important documents but the very lack of Arctic coordination in the EU Commission has meant that there is real uncertainty as to whom this policy document should be presented. Is it foreign policy? Is it environmental or energy? Or fishing? Of course it is all of these things and yet such documents, because of the nature of the EU as I have mentioned, do not fit well. (Wallis, 2008)

This finding corresponds with conclusions made in a similar study of the U.S. response to Norwegian High North policy. To Washington, it was awkward to discuss such various issues as climate change, fisheries, and energy under the same umbrella. The result was confusion about how to interpret and respond to Oslo’s initiative (see Offerdal, 2009). A similar lack of an overarching perspective on the Arctic thus reveals itself in Brussels.

**Character of the Norwegian High North Initiative**

When describing Norway as an interest group that is trying to influence policy processes in the EU, I assumed that since the Commission is in constant search of specialized expertise and is seeking to mobilize support for its policy initiatives, Norway would have a golden opportunity to influence the EPE and NDI processes on the basis of its High North initiative.

As suggested earlier, a clearly defined strategy seems necessary to influence EU policy processes. However, a clear strategy presupposes a rational unitary actor with clear goals—and this does not appear to be the case for Norway. As the High North initiative developed, there was broad domestic consensus that Norway’s interests in the region should be promoted abroad. However, there was no consensus as to what exactly Norway’s interests in the High North were. The energy part of the Norwegian High North initiative does not represent an agreed policy in Norway. Particularly relevant here is the fact that disagreement exists between Norway’s Foreign Ministry (MFA) and the Ministry of Petroleum and Energy (MPE) as to how—and in fact, whether—to present the High North as an energy region abroad. The MPE is fundamentally more sceptical than the MFA about the resource potential of the region. The High North is not a topic in the MPE’s energy talks with the Commission (interview with Norwegian official).

Also, interviews and informal conversations indicate a prevailing assumption in the MPE that drawing attention to the High North is not in Norway’s interest. While the MFA has focused on the attention aspect, the MPE has underlined several policy issues in the High North on which engagement would be interpreted as interference rather than positive interest or attention. The pace of development is one such issue; the question of the continental shelf around Svalbard and the delimitation issue with Russia are other examples.

The MPE thus appears to favor a less proactive approach to the High North in the country’s foreign policy than does the MFA. For these reasons the High North has simply not been addressed very actively by the most important actor in Norwegian energy diplomacy. For example, in a speech on the MPE’s policy toward Europe, former Minister of Petroleum and Energy, Åslaug Haga (2007a), did not mention the High North, but noted that renewable energy and carbon capture and storage topped the agenda in her ministry’s regular interactions with the EC. Interviews also show that production and export of Norwegian Continental Shelf gas rank high on the energy agenda between Norway and the EU, but without any particular emphasis on the High North. Haga has also noted that, when she was to meet Commissioner Piebalgs in 2007 as part of the energy dialogue, carbon capture and storage would “of course be on the top of the agenda” (Haga, 2007b, author’s translation from Norwegian). If the MFA has not managed to convince the most important actor in Norway’s energy relations with the EU of the importance of the High North, the prospects for influencing relevant policy-makers in the EU are severely limited.

Norway’s High North energy policy toward the EU has been based in part on an argument of interest: the claim that Norway possesses something that the EU wants in the High North (large oil and gas resources). As noted earlier, stakeholders need to provide good and objective information to exert influence. Norway has proclaimed its own policy in order to get attention, but in terms of input has offered only vague formulations about a potentially huge resource base. The objectivity of Norway’s information campaign can therefore be questioned. It is not clear to the Europeans what exactly the Norwegians want them to do with the High North. Oslo obviously does not want interference from the EU, but would like the Community to be aware of Norwegian policy in the region and perhaps get support if a difficult situation should emerge, particularly with Russia. However, the strategy of pursuing a pure information campaign has not been enough to create active interest on the part of the EU. For one thing, the information that Norway provides has not been clearly linked to benefits for the EU. Norway has thus failed to offer anything in return for attention from Brussels. That said, even if Oslo could have presented Brussels with significant oil and gas estimates in the region, the response from Brussels might nevertheless have been muted. The reason lies in the way EU policy-makers view Norway as an energy producer and supplier.
EU Views on Norway as an Energy Producer and Supplier

The interviews show that EU policy-makers are satisfied with Norway’s estimated increase in gas deliveries (125–140 billion cubic meters early in the coming decade) and trust that Norway will follow through. They give less consideration to where on the Norwegian continental shelf (NCS) the gas comes from. One Commission official, referring to overall production on the NCS, said that “so far the Norwegians are doing fine. They are producing at the pace that they should produce.” Only when there are indications that Norway can no longer keep up with its expected gas exports will the issue of developing the High North perhaps become more interesting to the EU. Right now, it does not really matter whether supplies come from the North Sea, the Norwegian Sea, or the Barents Sea. What interests the EU is that Norway can manage to keep up and increase its production and export according to current estimates. This seems possible in the foreseeable future without much production in the Barents Sea. One European Union official noted that despite their age, the North Sea fields like the Troll field are still strong.

Another important factor in EU policy-makers’ definition of Norway as an energy producer is that the climate for investment on the NCS is perceived as good. Many interviewees argued that since there are no problems with Norway, the EU does not need to direct attention there. Commission President Barroso strengthened this impression when noting that if all external suppliers were as sure and reliable as Norway, energy security would be much less of an issue within the EU today (Barroso, 2006, 2008). We recall that the degree of interdependence between actors can have important consequences for policy outcomes. In addition, perceptions of the effort necessary to obtain the other actor’s resources are vital for determining the degree of political attention that will be given. EU policy-makers have the impression that there is no need to invest a lot of resources in Norway because Norway will make sure that developments go in the desired direction, independent of the amount of EU engagement.

And thus we see the paradoxical negative effect of Norway’s exemplary behaviour on the energy arena. Foreign ministries are looking for problems to be solved—not solutions that already exist. In fact, the Norwegian foreign minister himself has indicated this: “As Foreign Minister,… I—like other Foreign Ministers—have to adapt our resources and put our diplomats to work where there are problems to be solved and diplomatic challenges to be addressed” (Store, 2008). This is exactly what the EU is doing in its approach to Norway’s energy policy in the High North. Norway is seen as part of the solution to the EU’s energy supply challenge, but what is crucial to understand is that it is viewed as a solution that is already there, not something in need of intensive efforts. Although Norway is not an EU member, it seems that the absence of problems with production on and deliveries from the NCS sometimes leads EU officials to count Norway’s oil and gas resources as “part of the family”: “Today, the EU plus Norway is the world’s fourth largest hydrocarbon producer only outstripped by Russia, the United States and Saudi Arabia” (Piebalgs, 2006b). Accordingly, Norway’s gas supplies to the EU are almost taken for granted—so why invest heavily in securing what is already there?

CONCLUSION

EU interest in the Arctic up until early 2008 was ad hoc, coincidental, and to a certain extent based on the interest shown by individuals within the EU system. From 2006, the Commission started to think that the EU should develop a more consolidated policy around Arctic issues. However, it was not decided whether this was to be part of the Northern Dimension or the maritime strategy, or part of a broader foreign policy. Increased EU interest in the Arctic toward the end of the period studied here does not seem so much a result of Norway’s High North initiative, as of the heightened international focus on the topic, with climate change and Russian Arctic policy as primary driving forces. Since 2006, however, Oslo has created increased awareness in Brussels of Norwegian High North energy policy. Norway has managed to enter the EU policy process at an early, drafting stage, which has resulted in mention in some energy policy documents. That said, most of the interest that the EU did show in its informal and formal policy was primarily linked to Norway as an energy supplier in general: interest in the High North has remained arbitrary and lacks concrete content.

A combination of institutional confusion in the EU, lack of coherence and clarity in the Norwegian approach, and Norway’s good energy reputation has placed important constraints on Norway’s ability to take advantage of its High North resources in relations with the EU. The presence of the High North in EU policy is most likely a result of the openness of the EU system and of the general importance of Norway as a gas supplier to Europe, but Norway’s High North is not perceived as an energy region for the EU to rely on in the foreseeable future. If Norway had promoted the North Sea as a still-important energy province, this idea would probably also have reached the policy documents. Thus, Norway can affect EU policy to a certain extent because of its position as an energy supplier to Europe. However, High North energy has not shown itself as a great foreign policy asset, leaving Norway unsuccessful in using its High North diplomacy to take advantage of the increased focus on energy security within the EU.

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