

## BRIEFING NOTE #7: 22<sup>th</sup> September 2017

### LOCAL RESPONSES TO OIL EXPLORATION IN THE BAFFIN BAY AREA



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The Arctic Oil and Gas Research Centre is engaged in a project titled *ARCTIC CHALLENGE: Arctic Petroleum Development as a Challenge to Societies*. It is a comparative case study of Norwegian, Greenland and US/ Alaskan Case Sites. The project is led by Brigt Dale who is a Senior Researcher at Nordland Research Institute, Norway. The project is funded by the Norwegian Research Council.

This year, Anne Merrild Hansen, Director of the Arctic Oil and Gas Research Centre and Pelle Tejsner, of the Arctic Research Centre at Aarhus University, published an article related to the Arctic Challenge project in *ARCTIC ANTHROPOLOGY*, Vol. 53, No. 1, pp. 84-94. This briefing note presents the main conclusions from the study behind the article.

The study was based on the observation that offshore oil activities often secure high revenues for national economies, yet the same activities have been experienced to cause derived negative developments in impacted communities. Even with the best intentions from governments and companies to secure local benefits, this is not always the result of the efforts made. Governmental and corporate emphasis is often on initiatives to train and educate locals and thereby prepare the communities to take part in the ongoing development in order to secure local benefits. This is also the usual approach in Greenland. We were therefore interested in exploring the local perceptions of and interests in the industrial developments.

The study focused on the responses of locals to the activities of four operating oil companies in the Baffin Bay area in 2014, namely Maersk Oil Kalaallit Nunaat, ConocoPhillips, Cairn Energy PLC, and Shell Greenland. The potentially impacted district stretches over 450 km coastline and includes nine smaller settlements where about 1,700 persons reside in total and the town of Upernivik with about 1,100 residents. The main occupations in the area were and still are hunting and fishing. Hunting and fishing efforts are not merely a commercial activity but also a recreational activity where family members often visit traditional or communally shared places along the coast. In Upernivik, peoples traditional or continued reliance upon and daily experiences with the sea and its resources continues to pervade the fabric of social life and thus inform the mixed cash-subsistence economy of local households.

The Baffin Bay study is based on qualitative face-to-face interviews conducted in the Upernivik district during fieldtrips in 2013 and 2014. All interviews were completed in Kalaallisut, the local language. A total number of 16 interviews were undertaken with men and women from the settlement councils and private persons in the settlements of Kullorsuaq, Innaarsuit, Tasiusaq, and Nuussuaq. A further four persons from the municipal administration located in Upernivik and Ilulissat were interviewed along with two persons from the Greenland Employers Association in Nuuk and two from another employers' association, NUSUKA.

It was found that:

- Residents in the settlements of the Upernivik district expressed a clear aspiration to continue the traditional way of living, rather than being interested in taking on potential jobs in the hydrocarbon industry;
- Fishing and hunting did not appear to be considered a livelihood by the locals but rather a desired way of life. However, a necessity for changes to take place to secure a continued existence and improved development in the settlements was articulated;
- The interviewees in general have positive attitudes towards the oil industry, which they saw as a potential facilitator of some of the locally needed changes;
- It is presently not possible for the locals to combine work for the oil industry with fisheries and hunting due to the existing licensing system, which is a barrier for working in other sectors and hence to achieve the needed change;
- Despite feeling stressed by rapid and ongoing technological and demographic changes, it may be assumed that were the locals to choose between either working in industry or as fishermen and hunters today, they would still choose the latter.

Based on the study, it is concluded that securing a high degree of local content in oil projects in the Upernivik District and thereby securing local benefits requires both strategic investments and legislative adjustment. In a similar vein, it is concluded that a general vision for the settlements in the area, based on a partly public and partly locally informed debate about potential future scenarios could beneficially serve as a point of departure for planning.