

**For immediate release****Northern Sea Route – Nordic maritime industry advantageously placed if challenges of new Arctic route are mitigated**

**Oslo, 3 June** – Control Risks, the global business risk consultancy, today published a briefing note; “Icy Waters – opportunities and obstacles in the Arctic for the Nordic maritime industry.” The note outlines how the Nordic maritime industry is well-placed to take advantage of greater accessibility of the Northern Sea Route through the Arctic. However, while this route provides a shortcut to Northeast Asia, it also presents a number of potential risks and additional costs.

Tom Patterson, Manager Maritime Risk Analysis at Control Risks, says: “In a period where shipping companies are seeking ways to reduce operational costs and compete in emerging markets, particularly in East Asia and South- and Central America, the Northeast Passage is seen as a great chance to reduce travel time and costs.”

Yet, according to Control Risks, the security, operational and reputational risks of the route need to be balanced against the cost and the effectiveness of existing routes.

“Russia regards the Northeast Passage as internal waters. By doing so, Russia asserts the right to regulate shipping within national legal requirements and costs. Operators seeking to use the route are furthermore dependent on Russian icebreakers, contracted at a significant cost. These are just some of the additional costs that operators need to keep in mind”, says Tom Bruun Andersen, Director, Norway at Control Risks. “If one adds the limited port infrastructure along the route and strong criticism from environmental groups, you get an understanding why the route needs to be analysed carefully.”

Comprehensive knowledge of current trends, potential disruptions, territorial disputes and localised security threats is vital for commercial operators, the industry and governments. It is key to mitigating the risks that invariably arise from such new opportunities.

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Control Risks is a global risk consultancy specialising in political, security and integrity risk. The company enables its clients to understand and manage the risks of operating in complex or hostile environments. Control Risks is the premier provider of security services to the maritime community, with over 20 years' experience, providing a comprehensive suite of risk management services to more than 100 clients. Control Risks has provided over 400 transits, 3,000 transit days and nearly 12,000 man days of transit security support to numerous clients and vessel masters on a variety of routes, without incident, accident or failure to complete a task.