

Position statement – Group 1: Greenland government

Overview

Greenland is an autonomous territory within the Kingdom of Denmark with a parliamentary democracy. While geographically in North America, it has deep historical, political, and economic ties to Europe, shaped by its colonial relationship with Denmark.

Despite its vast natural resources and strategic location in the Arctic, Greenland faces economic and geopolitical challenges as major powers—including the United States, China, Russia, and the European Union—compete for influence.

- *Our main 'customers'?*
 - o European Union (EU) – Greenland exports fish and seafood to EU markets, benefiting from preferential trade agreements.
 - o Denmark – A major economic partner and financial supporter; provides an annual block grant that makes up 20-25% of Greenland's GDP.
 - o United States – A growing security and economic partner, particularly in rare earth minerals and defense interests (e.g., Thule Air Base).
 - o China – Previously sought to invest in Greenland's mining industry; still a potential economic partner despite political resistance from the West.
 - o Canada & Nordic Countries – Trade partners for fisheries, tourism, and Arctic infrastructure projects.
- *Our services:*
 - o Fishing & Seafood Industry – The backbone of Greenland's economy, accounting for over 90% of exports.
 - o Mining & Natural Resources – Rich in rare earth elements, uranium, and precious metals; an area of growing interest but also political tension.
 - o Tourism – A developing sector, focused on Arctic exploration, ecotourism, and indigenous cultural experiences.
 - o Defense & Security Partnerships – The U.S. (via NATO) maintains military assets in Greenland, with potential for increased strategic collaboration.
- *Our main revenue sources:*
 - o Fishing Industry Exports – Greenland's largest economic sector, primarily exporting to the EU.
 - o Danish Government Block Grant – Provides financial stability but raises questions about long-term economic independence.
 - o Potential Mining Revenues – Greenland holds significant reserves of rare earth elements, uranium, and oil, but development remains politically sensitive.
 - o Tourism & Arctic Development – While growing, it is not yet a major economic driver.
- *Our current partners:*
 - o Denmark – Economic support, defense cooperation, and political alignment within the Kingdom of Denmark.
 - o European Union – Trade agreements, research funding, and sustainability projects.
 - o United States – Military and security cooperation (Thule Air Base), increasing interest in critical minerals.
 - o Nordic Council – Regional cooperation on Arctic policies, climate change, and economic initiatives.
 - o Mining Companies – Foreign firms (e.g., Greenland Minerals Ltd., Bluejay Mining, KoBold Metals) explore resource extraction, though some projects face political resistance.
- *How important is the challenge of managing natural resources in the Arctic among geopolitical tensions for us:*
 - o Greenland's rare earth elements (REEs) are crucial for global tech and defense industries, making it a strategic hotspot in the U.S.-China rivalry.
 - o Denmark and the U.S. oppose Chinese investment in Greenland's mining sector, fearing geopolitical risks.
 - o Greenland must balance economic opportunities from mining with environmental concerns and indigenous rights.
 - o Climate change is increasing Arctic accessibility, bringing more foreign interest in Greenland's shipping routes and energy resources.
 - o Russia's Arctic expansion raises security concerns, pushing Greenland closer to NATO and Western allies.
- *Our claims and needs:* Greenland seeks greater economic autonomy by reducing reliance on Denmark's block grant through sustainable resource management. Attracting foreign investment with safeguards is crucial to protecting its sovereignty and environment. Infrastructure development is needed to support growth, while balancing economic progress with environmental protection and indigenous rights. A clear Arctic policy is essential for securing Greenland's role in regional governance while maintaining strategic independence.
- *Our history concerning this challenge:*
 - o 1979 – Greenland gains home rule from Denmark, increasing self-governance.
 - o 2009 – The Self-Government Act expands autonomy, allowing greater control over natural resources.
 - o 2013 – China's Shenghe Resources invests in Greenland Minerals Ltd., sparking international concern.
 - o 2019 – The U.S. (under Trump) expresses interest in buying Greenland, highlighting its strategic value.
 - o 2021 – Greenland's new government cancels the Kvanefjeld uranium mining project, reflecting political resistance to mining.
 - o Ongoing – Balancing economic growth, sustainability, and geopolitical competition remains a central challenge.
- *Expectations from other stakeholders (European commission, WWF, USA, China and Russia):* Various stakeholders have distinct expectations from Greenland. The European Commission (EU) seeks secure access to critical minerals while ensuring environmental sustainability and maintaining trade relations. WWF and other environmental NGOs emphasize limiting industrial expansion, protecting Arctic biodiversity, and promoting indigenous rights. The United States aims to prevent Chinese and Russian influence in the region, secure strategic access, and invest in Greenland's critical minerals. Meanwhile, China is focused on accessing Greenland's rare earth elements, expanding its economic influence in the Arctic, and securing vital shipping routes. Russia, on the other hand, aims to expand Arctic cooperation or competition, influence regional governance, and closely monitor NATO's presence.