

# All presentations from the Arctic Council's Senior Arctic Official's meeting in Stockholm, Sweden, March 28-29 2012.

2012

## Arctic Council

### Arctic Council Secretariat

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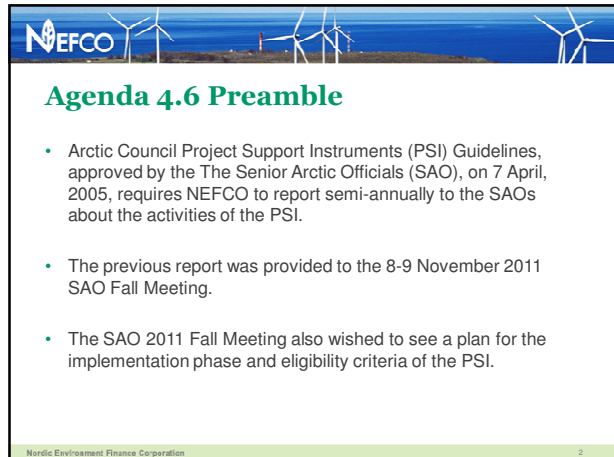
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## Update on the Project Support Instrument (PSI) March 2012

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Meeting of Senior Arctic Officials  
Luleå, Sweden, 28-29 March 2012

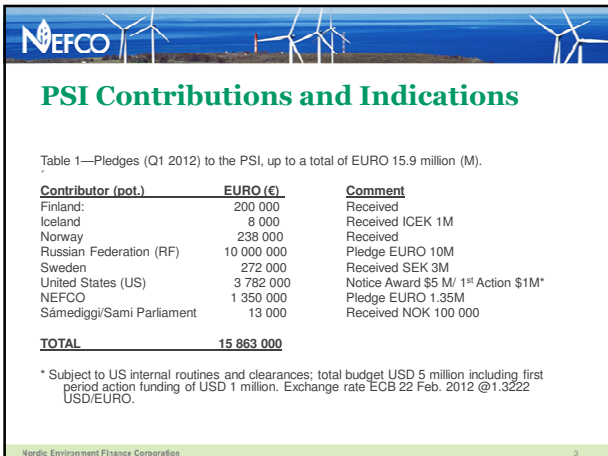
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## Agenda 4.6 Preamble

- Arctic Council Project Support Instruments (PSI) Guidelines, approved by the The Senior Arctic Officials (SAO), on 7 April, 2005, requires NEFCO to report semi-annually to the SAOs about the activities of the PSI.
- The previous report was provided to the 8-9 November 2011 SAO Fall Meeting.
- The SAO 2011 Fall Meeting also wished to see a plan for the implementation phase and eligibility criteria of the PSI.

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## PSI Contributions and Indications

Table 1—Pledges (Q1 2012) to the PSI, up to a total of EURO 15.9 million (M).

Contributor (pot.)	EURO (€)	Comment
Finland:	200 000	Received
Iceland	8 000	Received ICEK 1M
Norway	238 000	Received
Russian Federation (RF)	10 000 000	Pledge EURO 10M
Sweden	272 000	Received SEK 3M
United States (US)	3 782 000	Notice Award \$5 M/ 1 <sup>st</sup> Action \$1M*
NEFCO	1 350 000	Pledge EURO 1.35M
Sámediggi/Sami Parliament	13 000	Received NOK 100 000
<b>TOTAL</b>	<b>15 863 000</b>	

\* Subject to US internal routines and clearances; total budget USD 5 million including first period action funding of USD 1 million. Exchange rate ECB 22 Feb. 2012 @1.3222 USD/EURO.


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## PSI Next Steps (1/2)

- The United States informed NEFCO, 21<sup>st</sup> Feb. 2012, of its Notice of Award for participation in the PSI up to 28.2.2015. Total budget is USD 5.000.000 including the 1<sup>st</sup> Action period funding of USD 1.000.000.
- Signing of Cooperation Agreement with the US is expected on 12 April 2012.
- Agreement with the Russian Federation incorporates changes from the negotiated text of 2008. e.g. with respect to the Russian Execution Agency (REA).
- The US Award has its specifics, e.g. 1<sup>st</sup> Action PSI funding of Short-lived Climate Pollutants of USD 1M; indemnification clause and grant administration conditions.

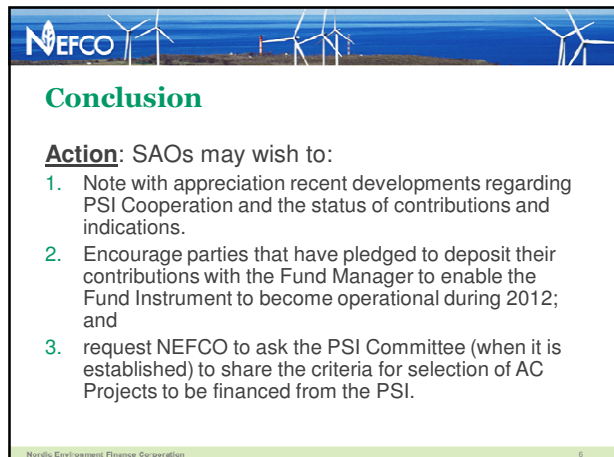
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## PSI Next Steps (2/2)

- NEFCO is in the process of a way to establish a common interpretation of the functioning of the PSI in practice via an "Acknowledgment Letter"
- A number of practical matters need to be addressed prior to the 1<sup>st</sup> PSI Committee Meeting in 2012.
- NEFCO is proceeding to hold a **Preparatory PSI Committee (PPCOM) Meeting 6-7 June 2012**. Invitation letter and provisional agenda have been sent to the Contributors.
- Regarding **Criteria for Selection of Project**: The detailed criteria for selection of AC Projects to be financed from the PSI is to be approved by the PSI Committee (Section 5 of the Rules of Procedures of the PSI) and NEFCO requests the SAO to allow it to revert on the matter at a future meeting.

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## Conclusion

**Action:** SAOs may wish to:

- Note with appreciation recent developments regarding PSI Cooperation and the status of contributions and indications.
- Encourage parties that have pledged to deposit their contributions with the Fund Manager to enable the Fund Instrument to become operational during 2012; and
- request NEFCO to ask the PSI Committee (when it is established) to share the criteria for selection of AC Projects to be financed from the PSI.

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