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The Álgu Fund

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Progress report



Álgu in the Saami language means “beginning.” We believe that this adequately reflects the goal of the Permanent Participants: a new beginning for our organizations to fully take advantage of and contribute to the unique opportunity that comes with Indigenous participation within the Arctic Council. The Arctic Council gives us a voice to be heard on international issues, to share the perspectives and priorities of the Indigenous peoples of the North so that the research and decisions being made about the Arctic are shaped by those who are affected most by them and are inclusive of Indigenous culture, traditions, and knowledge.

Funding has been a perennial issue for the Permanent Participants since the establishment of the Arctic Council. This creates challenges for ensuring active involvement in all deliberations, sustained and robust consultation with Indigenous communities, and adequate research and collective decision-making. Each Ministerial declaration has given recognition to this challenge. What better opportunity than the twentieth anniversary of the Arctic Council to finally overcome this hurdle, so that the next twenty years are marked by robust collaboration with the Indigenous Peoples of the Arctic?

Permanent Participant efforts to establish the Fund to date include:

- Development of a considerable body of literature both by and independent from the Permanent Participants to better understand the value and needs of Permanent Participants, as well as funding approaches;
- A recently completed Business Plan articulating a path forward and laying out the mechanisms by which Permanent Participant capacity can be strengthened sustainably in both the short and long term; and
- Securing funding from the Arctic Funders Collaborative and other non-governmental funding sources to develop and implement a marketing, fundraising and statute development process.

The ÁlgU Fund will take the form of a Foundation, which will be based in Sweden and able to accept contributions from around the world and distribute funds to all Permanent Participants. The Fund will be capitalized as an endowment to provide financial resources annually to all Permanent Participants on an equal basis, thereby increasing their ability to support the work of the Arctic Council. Payments will be set at a percentage of the endowment to ensure its long-term viability. In addition, The ÁlgU Fund will help Permanent Participants to partner with each other and other organizations on Arctic Council projects through project-specific funding capabilities.

The Permanent Participants have developed a Business Plan for The ÁlgU Fund, which includes the following elements:

- Identifies Sweden as the appropriate domicile for the funding mechanism, with the right trade and tax arrangements to accept and distribute funding consistent with the purposes of the Permanent Participants;

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- Prioritizes establishing an Endowment, with a fundraising goal of \$30,000,000 to ensure that Permanent Participants receive annual distributions that are meaningful, consistent, and sustainable; and
- Sets Foundation bylaws, rules of procedures, and policies to provide the necessary buffer between the funding and the Arctic Council, while ensuring transparency, accountability and the responsible application of best practices.

Funds will be distributed so that the principal of the endowment remains untouched. Endowment earnings will be distributed equally to the six Permanent Participants, less inflation proofing and funding for an Institutional Administrator. The Institutional Administrator is a trusted independent body that ensures the legal acceptance, management and distribution of funds. With this structure both the Permanent Participants and legal consultants in Sweden are confident that local and international laws can be employed and obeyed.

The Álgu Fund will facilitate Indigenous contributions to the Arctic Council by:

- Expressing and protecting the interests of our communities;
- Facilitating the fulsome inclusion of traditional Indigenous knowledge, as well as understanding and respect for this knowledge, as well as Indigenous cultural traditions;
- Actively partnering on Arctic Council projects by providing experts and facilitating local involvement, so that projects are more reflective of the communities they are intended to serve;
- Promoting cross-border co-operation amongst Indigenous Peoples and the jurisdictions in which they live; and
- Supporting local initiatives undertaken by our affiliated Indigenous organizations by drawing attention to them within the framework of the Arctic Council.

It will do so by providing sustained and predictable funding for the following kinds of activities:

- Access to expertise in specialized research areas, consistent with Arctic Council projects and areas of interest, as a result of increased operating support;
- Attractiveness to leading experts within our communities and the next generation of leaders to ensure our organizational strength and ability to participate in the Arctic Council over the long-term;
- Ability to work collaboratively amongst and between Permanent Participants;
- Coordination amongst the supporting Indigenous organizations, so that we are pursuing our interests in a strategic manner at all levels of jurisdiction;
- Knowledge about our work and the work of the Arctic Council amongst our communities; and
- Presence at the Arctic Council overall.

The Permanent Participants are confident that The Álgu Fund provides the appropriate pathway for investments in capacity building. In the months to come we look forward to working with partners and potential donors to see this vision successful.

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