

# Report: SAO plenary meeting

Portland, Maine | October 2016

*Third SAO plenary meeting during the U.S. Chairmanship*

## Acronyms and abbreviations found in Arctic Council reports

AAC	Arctic Athabaskan Council
AACA	Adaptation Actions for a Changing Arctic (AMAP project)
ABA	Arctic Biodiversity Assessment (CAFF, 2013)
AC	Arctic Council
ACAP	Arctic Contaminants Action Program (1 of 6 Working Groups)
ACGF	Arctic Coast Guard Forum
ACIA	Arctic Climate Impact Assessment (AMAP, 2005)
ACS	Arctic Council Secretariat
AEC	Arctic Economic Council
AIA	Aleut International Association
AMAP	Arctic Monitoring and Assessment Programme (1 of 6 Working Groups)
AMATII	Arctic Maritime and Aviation Transportation Infrastructure Initiative
AMSA	Arctic Marine Shipping Assessment (PAME, 2009)
AMSP	Arctic Marine Strategic Plan 2015-2025 (PAME, 2015)
AORF	Arctic Offshore Regulators' Forum
ARA	Arctic Resilience Assessment
ARR	Arctic Resilience Report
ARAF	Arctic Resilience Action Framework
ASTD	Arctic Ship Traffic Data project (PAME)
BCM	Black carbon and methane
CAFF	Conservation of Arctic Flora and Fauna (1 of 6 Working Groups)
CBMP	Circumpolar Biodiversity Monitoring Program (CAFF Programme)
CCAC	Climate and Clean Air Coalition
EA	Ecosystem Approach
EG	Expert Group
EGBCM	Expert Group on Black Carbon and Methane
EPPR	Emergency Prevention, Preparedness and Response (1 of 6 Working Groups)
GCI	Gwich'in Council International

ICC	Inuit Circumpolar Council
IMO	International Maritime Organization
ITU	International Telecommunications Union
IPCC	Intergovernmental Panel on Climate Change
IPS	Indigenous Peoples' Secretariat
MFA	Ministry of Foreign Affairs
MOSPA	Agreement on Cooperation on Marine Oil Pollution Preparedness and Response in the Arctic (2013)
MPA	Marine protected area
O&G	Oil and gas
PAME	Protection of the Arctic Marine Environment (1 of 6 Working Groups)
PP	Permanent Participant
PSI	Project Support Instrument
RAIPON	Russian Association of Indigenous Peoples of the North
SAMBR	State of the Arctic Marine Biodiversity Report (CAFF project)
SAO	Senior Arctic Official
SAOC	SAO Chair (Chair of the Senior Arctic Officials)
SAON	Sustaining Arctic Observing Networks
SAR	Search and rescue
SC	Saami Council
SCTF	Task Force on Enhancing Scientific Cooperation in the Arctic
ASDI	Arctic Spatial Data Infrastructure
SDG	[UN] Sustainable Development Goals
SDWG	Sustainable Development Working Group (1 of 6 Working Groups)
SWIPA	Snow, Water, Ice, and Permafrost in the Arctic (AMAP project)
TFAMC	Task Force on Arctic Marine Cooperation
TFOPP	Task Force on Arctic Marine Oil Pollution Prevention
TFTIA	Task Force on Telecommunications Infrastructure in the Arctic
TLK	Traditional and local knowledge
UNFCCC	UN Framework Convention on Climate Change
WG	Working Group

# 1. Introduction

## 1.1 Welcome remarks

U.S. Secretary of State John Kerry, Chair of the Arctic Council, offered welcoming remarks via a video message. Admiral (ret.) Robert J. Papp, the U.S. Special Representative for the Arctic, welcomed delegates to Maine. In particular, he welcomed the three new SAOs from Canada (Alison LeClaire), the Kingdom of Denmark (Hanne Eskjær), and Norway (Anniken Krutnes), all participating in their first SAO meeting.

## 1.2 Approval of agenda

### **Background and discussion**

The SAO Chair suggested four small adjustments to the agenda: (1) Item 6.1.1 from ACAP would address the WG's work on SLCPs, rather than on CLEO; (2) Item 11.2 on the TFAMC would be held at the end of day 1; (3) The speaker for item 12.1 on the Arctic SDI would be changed; and (4) An update from Canada on the Arctic Council's economic work would be added under "Other business".

### **Summary / Conclusion**

With the alterations listed above, the agenda was approved. [*NOTE: This report follows the agenda in numerical order, and does not reflect item 11.2 moving to day 1.*]

# 2. Reports from other meetings

## 2.1 Arctic Science Ministers' Meeting

### **Background and discussion**

The SAO from the U.S. briefed delegates on the White House Arctic Science Ministers' Meeting. Ministers of 25 states and representatives from five indigenous peoples' groups took part. Though the meeting was not held under the auspices of the Arctic Council, the event's outcomes could in principle have relevance for the six Arctic Council WGs. Outcome documents can be found online including: the [joint statement](#), a [fact sheet](#), and [blog post](#) summarizing the pre-meeting with Alaska Native and indigenous organization representatives.

### **Summary / Conclusion**

This item was for information.

## 2.2 Ecosystem approach to management conference readout

### Background and discussion

The Arctic Council approved EBM recommendations in 2013, and work continues to focus on implementation of these recommendations. The Chair of PAME provided an overview of the recently-held [PAME/CAFF/AMAP conference](#) looking at the implementation of the ecosystem approach to management in the Arctic, which brought together 70 participants to address case studies and practical aspects of implementation. Building upon the momentum created by the conference, PAME plans to develop an MPA toolkit for submission to the upcoming SAO meeting in Juneau, March 2017.

### Summary / Conclusion

This item was for information.

## 3. Arctic Council 20<sup>th</sup> anniversary

### Background and discussion

The SAOC, ICC, Iceland, AIA, and Canada all provided updates on past and upcoming events or initiatives celebrating the Arctic Council's 20<sup>th</sup> anniversary. The U.S. plans to host an event immediately prior to the Fairbanks Ministerial meeting (May 2017). ICC pointed out the series of "I Am Inuit" posters placed around Portland and noted these as the ICC contribution to the U.S. goal of raising awareness about the Arctic. Canada gave a brief overview of events held in Washington, DC and in Ottawa during September 2016. Iceland likewise summarized three events held by the MFA and, the Prime Minister's office, in cooperation with the University of Iceland and the Icelandic Arctic Cooperation Network. AIA drew delegates' attention to the joint project with GRID-Arendal to develop a PP "story map," intended for completion prior to the Fairbanks Ministerial meeting.

Several delegates noted that the 19 September 2016 [joint statement by Ministers of the Arctic States "The Arctic Council: A Forum for Peace and Cooperation"](#) had been translated into local languages and published in local or national newspapers.

### Summary / Conclusion

This item was for information.

## 4. Strengthening the Arctic Council

### 4.1 WG common operating guidelines

#### Background and discussion

Some time ago, the SAOs approved – on a provisional basis only – six separate sets of WG operating guidelines. At the start of the U.S. Chairmanship, the SAOs decided in principle to replace these six sets of guidelines with one set of common operating guidelines, applicable

to all the WGs. The SAOC, WG Chairs, and WG executive secretaries worked together to produce draft common operating guidelines for the Arctic Council WGs. The proposed Common Operating Guidelines attempt to align the working procedures of the six WGs in some important ways, while also allowing some leeway for certain differences. Each WG was offered the opportunity to develop an individual annex to describe additional matters particular to the individual WG that are not covered by the main body of the Common Operating Guidelines. The SAOC presented the Common Operating Guidelines, including four annexes (AMAP, CAFF, PAME, SDWG), for SAO consideration and possible approval. The SAOC also informed the group that since the time when the CAFF Annex was developed, CAFF has met and decided to adopt some minor adjustments. Thus it is likely that a revised version of the CAFF Annex will be circulated in the near future and that the SAOC will seek approval of that version by written correspondence.

During the discussion, several SAOs spoke positively of the effort to harmonize operating guidelines, while retaining a degree of flexibility. They also made particular reference to the 30-day deadline for delivering meeting documents. Other SAOs thought that further harmonization could be beneficial and that we should aim to achieve this over time. Several PPs expressed the desire for greater formal inclusion of PP engagement and TLK, while some SAOs questioned the relevance of including TLK in operating guidelines. The SAOC suggested that those delegations interested in including language on TLK can develop language for further consideration.

### **Summary / Conclusion**

The Operating Guidelines have been largely agreed, with some final polishing and small adjustments to be provided by some delegations. All agreed to the following revisions in the second to last sentence of paragraph 5: (1) strike the word "normally" after the words "WGs should"; and (2) after the words "...and a provisional agenda" insert the following words "and related documents". The Chairmanship will circulate a final version of the Common Operating Guidelines for inter-sessional approval.

[Click to see the supporting document](#)

## 4.2 Arctic Council communications strategy

### **Background and discussion**

The Arctic Council's previous communications strategy covered the period 2012-2016. At the March 2016 SAO meeting, SAOs directed the Chairmanship and ACS to review and update the strategy in consultation with the communications and outreach group. The Chairmanship presented the updated strategy for delegates' consideration and approval. Few delegates commented, and comments were largely positive, save an urge to focus more on local media and language translation wherever possible in order to facilitate the dissemination of information to northern indigenous peoples.

### **Summary / Conclusion**

SAOs approved the new communications strategy.

[Click to see the supporting document](#)

## 4.3 Arctic Council Secretariat status update

### **Background and discussion**

The director of the Arctic Council Secretariat presented a written report providing a status update on its activities so far this year. Few delegates made comments, but some did ask for an update on the status of the historical archive, such that any gaps in the historical record could be identified and addressed. In particular, AAC and the U.S. offered to provide historical documents if needed and desired.

### **Summary / Conclusion**

This item was for information.

[Click to see the supporting document](#)

## 5. Cross-cutting topic #1 – Climate change and resilience

### 5.1 Expert Group on Black Carbon and Methane (EGBCM)

#### **Background and discussion**

The Chair of the EGBCM applauded the signing of the Paris climate agreement, and described the mechanisms by which methane and black carbon emissions affect climate in the Arctic and elsewhere. She then presented the work thus far of the EGBCM, highlighting the submission of national reports on black carbon and methane emissions by the Arctic States and several Observer States. She presented the EGBCM's preliminary recommendations for reducing emissions from e.g. diesel engines, oil and gas production, and residential biomass, which each State will be invited to adopt as appropriate in light of its own national circumstances. She asked for SAOs' reactions to the preliminary recommendations. Regarding the prospect of a concrete goal for reduced black carbon emissions, she said that it would be premature at this meeting to present such a goal.

During the discussion, several SAOs expressed enthusiasm for the prospect of an ambitious regional goal for black carbon emissions reduction, and noted that such a step would be a significant new action both globally and for the Arctic Council itself. Regarding the preliminary recommendations, those SAOs that spoke expressed a desire to see them strengthened in the instance that any changes are made during the finalization process. In general, the SAOs encouraged Observer States to contribute to the Expert Group's work. One PP praised the work of the EGBCM, and noted that BCM emissions are not solely a climate issue, but a health issue as well.

## Summary / Conclusion

Delegates generally expressed support for the methodology used by the EGBCM in developing the preliminary recommendations, and most seemed to think that the present recommendations are on the right track and – if anything – could be strengthened. Delegates provided the EGBCM Chair with a number of specific questions and suggestions to consider, including the need for financial incentives, where black carbon originates, and coal dust on train tracks triggering wildfires. A number of speakers called on Observer states to continue to engage and work with the Arctic States in reducing emissions of black carbon and methane.

*Click to see the supporting documents: [Preliminary recommendations](#); [2-pager](#).*

## 5.2 Climate change: Arctic-related activities planned for COP22 and work with the IPCC

### Background and discussion

The SAO from the U.S. briefly described the planned panel “Climate change on fast forward,” which will take place on 11 November during the COP22 meeting in Marrakech. It will partly focus on the Arctic Council’s work on black carbon and methane. During discussion, AMAP described its ongoing work on the cryosphere (primarily through the SWIPA project), and how it relates to the IPCC’s work. Then several SAOs suggested the idea of a joint event of some kind, with Sweden in particular advocating a more direct focus on highlighting the work of the Council itself. Sweden, Norway, Iceland, and AMAP all appeared to support the idea of a SWIPA-focused event of some kind, if possible to arrange at this stage.

### Summary / Conclusion

This item was for information. The SAOC asked Sweden, Norway, Iceland, AMAP, and any others who might be interested, to work together to explore the possibility of a COP22 event focused on SWIPA and the Arctic Council’s climate work more broadly.

## 5.3 Arctic Resilience Action Framework (ARAF)

### Background and discussion

Johan Kuylenstierna, the ARR Co-chair, presented the ARR on behalf of Sweden. He noted an upcoming launch event for the final scientific report, scheduled for 25 November 2016 at the Ministry of Environment and Energy in Stockholm. He described the structure of the final report, including 19 Arctic “tipping points,” 25 communities presented as case studies, and the key findings, which draw connections between social systems, ecosystem services, and biophysical systems all with the aim to provide tools needed to build resilience.

Joel Clement, the ARAF project lead, presented the ARAF. The ARAF contains a goal, nine overarching principles, and four priority areas for the Arctic Council’s resilience work. He described the ARAF as a living document, said that tracking mechanisms for this work will be

important, and proposed a forum on resilience work to be held every two years to adjust the ARAF as needed over time.

During the discussion, one SAO strongly supported both products. The Finnish SAO drew a connection to [the UN's "2030 Agenda for Sustainable Development"](#), and noted his country's readiness to host one of the described forums during its upcoming Arctic Council Chairmanship. Another SAO expressed readiness to help organize such a forum, and proposed that the ACS might be well-situated to act as a long-term coordinator for this cross-cutting work. One PP suggested that the [Arctic Adaptation Exchange portal](#) might serve as a ready-made tool for implementation of the ARAF. Another SAO pointed out the importance of ensuring that resilience focus is connected with other ongoing activities, and pointed to the meeting of four WGs held in Tromsø in 2015 as one possible model for ensuring such a connection. It was also suggested that the resilience forum might be connected to or reflected in the planned Arctic Biodiversity Congress in 2018.

One delegation noted its support in principle for this work on resilience, but expressed reservations about the resources – financial, human, and otherwise – that would be required for follow-up.

Several PPs expressed support in principle for the work, but urged tight integration of PPs to ensure direct value for Arctic indigenous communities and a strong focus on present-day needs.

### **Summary / Conclusion**

The SAOC recognized general support for the direction of work on the ARAF, but noted reservations and concerns about resources, proliferation of reporting, and possible duplication of efforts. A final ARAF will be presented to the SAOs for consideration at the March 2017 SAO meeting; work should take place intersessionally if the document is to be approved. The SAOC asked the ACS to consider what it could mean for the ACS to act as a "hub" for coordinating and compiling resilience work, and suggested that the group return to that question at the March 2017 meeting when we also have the resilience synthesis documents for consideration.

*Click to see the supporting documents: [Framework](#); [Discussion paper](#); [Background paper](#)*

## 5.4 Open discussion of climate change work in the Arctic Council

### **Background and discussion**

The SAOC drew upon the discussions in points 5.1, 5.2, and 5.3, and invited delegates to discuss six questions in particular on the Arctic Council's present and future climate change work.

- Should the Arctic Council, because of its unique position, make efforts to engage local and regional governments on climate change issues?

- Should the Arctic Council initiate work to identify and safeguard wetlands in the Arctic?
- Should the Arctic Council be a venue in which to pursue implementation of [the UN's sustainable development goals](#) (SDGs) in the Arctic?
- Should the Arctic Council work further on the development and use of renewable energy sources in the Arctic?
- Should the Arctic States form an Arctic caucus in other international fora (e.g. IMO, UNFCCC, CCAC) to ensure that Arctic concerns receive appropriate attention?
- Should the Arctic Council organize a presentation for Ministers on Arctic climate change?

During the discussion, one SAO reiterated its strong support for new work on the issue of wetlands (specifically, of an inventory of wetlands and of “hot spots” that are sensitive to change and degradation, best practices and management, identification of priority restoration projects). Another SAO highlighted work on black carbon and methane going on in both in the EGBCM and in ACAP, and expressed the wish to see complementarity and “cross-pollination” of these two work streams. This SAO also noted the importance of (and potential for improvement in) the Arctic Council’s outward communication on climate issues. Another SAO followed this point by suggesting that Arctic States come together to submit common statements on these issues whenever appropriate. She asked whether the Council could address how it might contribute to a “green shift” and a low-carbon future. This SAO pointed to AMAPs’ work on projecting the 1.5 degree impact in the Arctic as a way to help set priorities for future adaptation and resilience work. Another SAO supported in principle the ideas of increasing work on wetlands and of connection to the UNDP’s SDGs, but also emphasis on renewable energy and black carbon and methane issues. One SAO, felt that connection to the SDGs was desirable including green and clean energy and emphasized connection as well to the UNFCCC conferences. Another delegation said that communication and outreach was important in this regard and noted that several of the ambitions expressed for future work will require substantial resources, and that this must be considered.

AMAP responded to the idea of increasing wetlands work with reference to its existing work on wetlands, which can be found in SWIPA, the recent Arctic freshwater assessment, and elsewhere. CAFF also noted its work on wetlands (e.g. ABA and the CBMP, with an upcoming report scheduled for release in 2018 on the State of the Arctic’s Freshwater Biodiversity), and its cooperation with [the Ramsar Convention](#). One SAO emphasized that any plans for wetlands work should begin with reference to the WGs to assess what work is already underway in this field.

Several PPs addressed these questions, asking for consideration of government regulation as it affects communities’ resilience, supporting the proposal for work on wetlands, urging the Arctic States to show leadership in moving to renewable energy-based economies, and asking that the Arctic States consider the indigenous language project as a climate and resilience project.

## Summary / Conclusion

While no firm decisions were reached on this topic, the SAOC summarized the discussion, noting that much attention had been devoted to what the Council is currently doing, rather than to its future work. He pointed out that some ideas had been presented for what the Council might do more of, or do differently, in light of the 2015 Paris agreement and other developments. He noted the broad support expressed by delegates for focusing new efforts on wetlands, and recommended that Sweden present a paper on wetlands work, based on the discussions held in the room, and consider circulating it ahead of the March 2017 SAO meeting as a potential basis for some kind of future initiative relating to wetlands.

The SAOC then noted the series of other ideas presented by delegates during the discussion (see above), but found that no particular idea commanded widespread support. In each of those cases, he asked that any “champion” for any of these ideas produce a more detailed paper/proposal for further consideration.

[Click to see the supporting document](#)

## 6. Working Group updates

### 6.1 ACAP

[Click to see the supporting document](#)

#### 6.1.1 WG initiative: Short-lived climate pollutants

##### Background and discussion

The Chair of ACAP provided an overview of ACAP’s recent work on short-lived climate pollutants, including the following.

- A report cataloging circumpolar best practices for reducing black carbon emissions
- Two studies exploring the potential for converting energy sources for rural Arctic communities from highly-polluting diesel fuel to cleaner renewable energy
- A summary of a project in Murmansk involving the replacement of old, high-emission buses with new, lower-emission buses
- An inventory of diesel black carbon emissions in Murmansk

He also notified delegates of the upcoming ACAP meeting on 25-27 January in northern Sweden.

During the discussion, a SAO and PP both pointed out the importance of exploring replicability for successful ACAP initiatives. One PP also encouraged all PPs to participate in ACAP work where possible, and asked whether resources could be found to support consistent participation of a PP expert on the ACAP Expert Group on Short Lived Climate Pollutants and in the Indigenous Peoples Contaminants Action Program (IPCAP).

**Summary / Conclusion**

This item was for information.

### 6.1.2 ACAP strategic plan

**Background and discussion**

The Chair of ACAP presented, for SAOs' approval, ACAPs updated strategic plan for 2016-2020. The plan as submitted was approved by ACAP at their meeting on 2 Sep 2016. During discussion of the draft plan, one SAO urged other States to ensure that their representatives to ACAP (and its expert groups) are in fact subject-matter experts in the relevant disciplines.

**Summary / Conclusion**

SAOs approved the ACAP strategic plan.

[Click to see the supporting document](#)

## 6.2 AMAP

[Click to see the supporting document](#)

### 6.2.1 WG initiative: Chemicals of emerging Arctic concern assessment

**Background and discussion**

The Chair of AMAP presented AMAP's ongoing work on chemicals of emerging concern for the Arctic. He pointed out that AMAP's work provides evidence for listing new chemicals under such instruments as the Stockholm Convention, and that AMAP has a report underway looking at 16 major groups of chemicals and at microplastics. The assessment also identifies a number of additional chemicals that have potential to end up in the Arctic. The summary for policy-makers is planned for delivery in April 2017, connected with AMAP's upcoming "International Conference on Arctic Science: Bringing Knowledge to Action," 24-27 Apr 2017 in Reston, Virginia, United States. He also noted the Anniversary Seminar celebrating 25 Years of AMAP in Helsinki, Finland on 29 November, 2016

During discussion, delegates inquired what the role of CAFF and SDWG would be in the upcoming April 2017 conference, and asked to what extent AMAP's research informs the work of other WGs in general. The Saami Council thanked AMAP specifically for translating its summary reports into North Saami, and raised two specific pollutant issues of concern in Sápmi that are not covered in the present work – dumping of mining tailings and the amount of pharmaceuticals released near hospitals.

In response, AMAP emphasized its ongoing efforts to cooperate with other WGs, and thanked the Saami Council for its comments and promised to follow up, while pointing out that the assessment under discussion is focused on long-range transport of chemicals, rather than the two concerns raised which are more local issues.

**Summary / Conclusion**

This item was for information.

[Click to see the supporting document](#)

## 6.3 CAFF

[Click to see the supporting document](#)

### 6.3.1 WG initiative: State of the Arctic Marine Biodiversity Report (SAMBR)

#### **Background and discussion**

The Chair of CAFF presented the State of the Arctic Marine Biodiversity Report (SAMBR) to delegates. The report – part of CAFF’s CBMP – summarizes the status and trends in key biotic elements of the Arctic marine seas environment and provides advice on how to better improve marine biodiversity, as well as within the 8 regional Arctic marine areas. The overall key findings as well as the most significant trends of some key focal ecosystem components were presented. A suite of communications products are planned for the SAMBR launch.

During the discussion, one SAO thanked CAFF for its efforts to include TLK in this and its other work, after which the Saami Council noted that it has invited CAFF to hold its next Board meeting in Kautokeino, Norway, in part to contribute to increased understanding of TLK in the work of CAFF. One PP inquired about the status of the report on traditional knowledge and wisdom in North America. Several SAOs and one PP praised CAFF’s work on SAMBR and the collaborative nature of the CBMP.

In response, the CAFF Chair thanked the Saami Council for its invitation, and said he was looking forward to coming to Kautokeino, Norway for the next CAFF meeting. He noted that the report on traditional knowledge and wisdom would be slightly delayed because of some comments from the U.S. and that a small group (U.S., Canada, ICC and AIA) will convene to revise the document; it is scheduled to be presented for approval at the next CAFF board meeting. He emphasized ongoing cooperation with other WGs in the context of the CBMP. The SAOC, seeing that a video is included among the suite of communications products for the SAMBR, noted that early-stage planning is taking place for ways to showcase the work of the WGs during the Fairbanks Ministerial meeting in 2017.

#### **Summary / Conclusion**

This item was for information.

[Click to see the supporting document](#)

## 6.4 EPPR

[Click to see the supporting document](#)

### 6.4.1. WG initiative: Agreement on Cooperation on Marine Oil Pollution and Response in the Arctic exercise (MOSPA TTX)

#### **Background and discussion**

The Chair of EPPR – which is the WG within the Arctic Council that is responsible for follow-up on the MOSPA agreement – presented on the recent MOSPA table top exercise (TTX), a

three-stage process held in May-June 2016, which included States, PPs, and Observers. She also presented EPPR's planned/expected deliverables to the upcoming Ministerial meeting in Fairbanks, Alaska.

During the discussion, several SAOs praised EPPR's work in this area. One SAO also noted the possibility for synergies with the ACGF. A PP flagged the project on prevention, preparedness, and response for small communities as something for delegates' particular attention.

In response, the EPPR Chair noted ongoing contact and cooperation with the ACGF, and thanked the Kingdom of Denmark for agreeing to host EPPR in Copenhagen in December 2016. Regarding the small communities project, she said that a survey would soon be distributed via email, and noted that the Institute of the North would assist, conducting phone surveys in those areas where internet connectivity might prevent participation by local residents.

### **Summary / Conclusion**

This item was for information.

## 6.5 PAME

[Click to see the supporting document](#)

### 6.5.1 WG initiative: Arctic Ship Traffic Data (ASTD) project

#### **Background and discussion**

The Chair of PAME presented on the ASTD project, which will collect historical information about shipping activity in the Arctic from the Arctic States to use for trend analysis and related purposes under the auspices of the Arctic Council. The intended outcome is a user-friendly maritime traffic analysis of Arctic shipping data that benefits the Arctic Council and its WGs and subsidiary bodies. An EG associated with this project was established in 2015, and the Havbase system has been selected as the underlying infrastructure for the ASTD. The ASTD will be comprehensive, including 50+ types of ships and delivering ice information and data on ports as well. The ASTD documents are expected to be submitted to the March 2017 SAO meeting, and it is planned to launch the ASTD within the Havbase system on or around the Fairbanks Ministerial meeting in 2017.

During the discussion, both one WG and PP expressed support for the development of the ASTD and the use of the Havbase system. The latter noted in particular its usefulness for an indigenous use mapping project, and expressed the belief that this system and project provides excellent value. Another PP inquired whether there is not some way to integrate oral historical data into the system.

In response, the PAME Chair thanked Norway for making the Havbase available for this purpose. She concurred with the PPs who spoke that this work is of high value. Regarding the PP question on integrating oral history data, she said that such a step would likely not be possible in advance of the Fairbanks Ministerial, but thanked them for raising the point. She

agreed with the other PP that the indigenous use mapping is an excellent example of a “follow on” use for this technology, and she highlighted as well the participation of the Republic of Korea in the project, showcasing one example of engagement by Observers.

### **Summary / Conclusion**

This item was for information.

## **6.6 SDWG**

[Click to see the supporting document](#)

### **6.6.1 WG initiative: The Economy of the North III (ECONOR III)**

#### **Background and discussion**

The acting Chair of SDWG introduced Iulie Aslaksen, the ECONOR III project lead who presented the project, for which a hardcopy draft final report had been circulated at the meeting. Ms. Aslaksen noted that the draft report that was circulated was only for SAO use at this meeting, not for distribution or citation, given that it is still being edited and does not include the full information from the assessment. The project is intended to deliver an overview of Arctic circumpolar statistics on economy and socio-economic conditions, which is challenging because of the difficulty of acquiring and harmonizing such data. She highlighted a couple of prominent findings from the report, including that, typically, production in any given region of the Arctic is higher than income, indicating that resources are being taken out of the region. She pointed to elements of the analysis contained in the report, explaining how regional differences and other data sets are analyzed and illustrated in the report. She then introduced the policy-relevant results from the study, including the following.

- There are large variations in livelihoods and living conditions between Arctic regions.
- The role of the petroleum industry and other natural resource extraction as source of income is crucial.
- The importance of subsistence and local market economies must be recognized.
- There is a need to explore resilience.
- There is a need for systematic and comparable statistical knowledge on economy, socio-economic conditions and environmental impacts for Arctic regions.

During the discussion, many States expressed enthusiasm for, interest in, and approval of this line of work by SDWG. One SAO noted the importance of getting correct data from his country, and another SAO asked for a deeper discussion and questions in the next agenda, noting that ECONOR is a strong component of the Council’s work on economic development. Another SAO was pleased to see how the report was also covering on-going changes in the Arctic, namely issues related to fisheries and tourism. A PP asked whether it is possible to improve regional statistics on subsistence use.

### **Summary / Conclusion**

This item was for information.

## 7. Cross-cutting topic #2 – Arctic Council financing

### 7.1 Project Support Instrument (PSI)

#### **Background and discussion**

Patrick Huber (representing the PSI Chair) and Magnus Rystedt (managing director of NEFCO) presented an update on the PSI. The PSI is an instrument for the purpose of mobilizing and channeling financing for approved Arctic Council projects. The PSI Chair representative presented a timeline of the development of the PSI and two examples of successful PSI-funded projects, then explained the project selection criteria used by the PSI, the mechanism by which projects receive PSI funding, the PSI's governance structure, and its allocation for Arctic Council work in the 2014-2019 period. He noted that, while ACAP projects have so far been the sole recipients of PSI funding, a CAFF project has recently received PSI funding approval and that projects from other Working Groups meeting the relevant criteria were also eligible for funding.

During the discussion, the NEFCO representative asked delegates to consider whether the trial period for the PSI could be extended until 2019, and whether delegates had thoughts on an evaluation/review of the PSI in 2018, or on the destiny of the PSI following its trial period. Many noted the complex "machinery" behind PSI funding for Arctic Council projects, and emphasized the need for better communication between the PSI and the Council/SAOs/WGs more generally. Two SAOs emphasized the importance of doing an evaluation of the PSI well before the trial period ends and Finland suggested that this should be undertaken by an external body. A PP asked that the PSI Committee consider whether the PPs could administer a portion of the fund or if some funds could be dedicated to projects approved by the PPs.

In response to inquiries from delegates, the NEFCO representative pointed out that the PSI's current resources are adequate to meet current demands for project funding, and he confirmed that the Fund manager is working with ACAP and the AC in general to improve the project flow and communications.

#### **Summary / Conclusion**

SAOs approved the request to extend the PSI trial period to 18 July 2019 (five years after it became operational on 18 July 2014). Many reiterated that PSI funding is available to all WGs for projects approved by the Arctic Council that meet the PSI criteria.

### 7.2 PP fund (Álgu fund)

#### **Background and discussion**

A representative of GCI presented an update on the development of the Álgu Fund. He noted the receipt of funds from the Arctic Funders' Collaborative (supplemented by core funds from the IPS) to support the establishment of the fund, and noted the engagement of the Institute of the North as the project manager for the fund's legal and technical

development. The Álgú Fund will contain (1) an endowment fund, which is the priority and focus of current efforts, and (2) a project fund. The endowment fund should result in stable annual monetary distributions to the PPs.

He made special note of additional work undertaken by one PP to facilitate its involvement in the Álgú fund. He drew delegates' attention to the new Declaration of Cooperation signed by the six PPs that commits them to establishing the fund, as well as to principles of the fund. Near-term priorities now include securing resources sufficient to recruit an executive director to manage the fund. Delegates inquired about who is anticipated to contribute to the endowment fund and the project fund and if there were any additional details about the latter. The GCI representative responded that the current priority is to establish the endowment fund and that, as the project fund is further developed, additional details will be shared.

### **Summary / Conclusion**

This item was for information.

[Click to see the supporting document](#)

## 7.3 Open discussion of Arctic Council financing

### **Background and discussion**

Noting that the Arctic Council's portfolio of work is expanding, and will likely continue to grow, the SAOC raised the question of how the resources available for Arctic Council work might be expanded as well. He posed open questions about the PSI following its trial period (ending 2019), which were followed up by the SAO from the U.S., who also raised other questions about funding from Observers, general tracking of contributions/funding for Arctic Council work, and the Álgú fund. One SAO invited a paper, perhaps to be prepared by the PSI, on the question of Arctic Council funding; the general idea of such a paper was supported by another SAO, and a different SAO noted that any such paper would need to take the long-term strategic planning for the Council (also discussed at the Oct 2016 SAO meeting) into account.

Many delegations raised the 50% rule, asking whether it is helping or hindering the Council's work, and in particular whether it should reasonably apply to the Álgú Fund (in whole or in part) or not. Canada offered to take the lead on a paper addressing these questions. The SAOC accepted that offer, and asked the U.S. to help broaden that effort to include additional finance issues.

Multiple PPs emphasized that resource constraints, rather than a lack of desire or commitment, stand in the way of their greater participation in Arctic Council project work. Toward that end the endowment fund is envisioned to enhance PP capacity to participate in current projects and not to establish new work.

### **Summary / Conclusion**

The SAOC summarized the discussion on this point, beginning with the diverging viewpoints regarding the "50% rule". The group had discussed the 50% rule both in its "traditional"

application to the Council's project work, and as it relates to the developing Álgu Fund. He noted the strong argument that the Álgu Fund is outside the Council and thus the 50% rule does not apply, though he was not sure that everyone would agree on this point. The SAOC suggested that, in light of the absence of a consensus view on the implementation of the 50% rule, this issue be placed on the agenda for further, albeit brief, discussion at the March 2017 SAO meeting. The SAO from Canada offered to produce a paper addressing the 50% rule and the Álgu Fund; the SAOC thanked her, and suggested that she consult others as well to produce a paper that might serve as the basis for discussion in March 2017. He suggested that the proposed paper should look at Arctic Council funding issues beyond the 50% rule, e.g. where is money coming from, the role of PSI etc., as those broader issues also require continued discussion.

## 8. Presentation of Finnish Chairmanship Program 2017-2019

### **Background and discussion**

The SAO from Finland introduced the draft Finnish Chairmanship program, under the proposed theme of "Exploring Common Solutions". He thanked other delegations, both Member States and PPs, for their constructive conversations and advice during the development of the program, and noted that 2017 would mark not only the beginning of the Finnish Chairmanship but also the 100<sup>th</sup> anniversary of Finland. He noted that the draft program makes reference both to the 2015 Paris climate agreement and to the UN's 2030 Agenda for Sustainable Development, and then presented the four proposed priorities for the Finnish Chairmanship.

- Environmental protection
- Connectivity
- Meteorological cooperation
- Education

Areas of work would generally fall under the following headings:

- Environment and Climate
- The Seas
- The People
- Strengthening Arctic Cooperation

During the discussion, SAOs and PPs expressed a great deal of support for the program as presented.

### **Summary / Conclusion**

This item was for information. The SAOC noted that overlap and cooperation between the present Chairmanship and the incoming Chairmanship will be increasingly important in the months ahead, and that – under the proposed priorities – the work of certain Task Forces is

likely to continue in one form or another. The SAOC stated that the Finnish Chairmanship priorities need to be integrated into the planning of the WGs.

## 9. Arctic Council strategic planning

### Background and discussion

The SAOC introduced the topic, suggesting that a long-term strategic plan could be developed and concluded during the Finnish Chairmanship. Referring to the discussion paper presented to support this agenda point, he asked (1) whether delegates were ready to commit to developing a strategic plan, (2) whether the parameters and elements presented in the discussion paper were reasonable, and (3) whether the timeline itself is reasonable.

During the discussion, delegations expressed support for the idea, and for the basic elements contained in the paper. A few SAOs pointed out the need to retain flexibility in any such strategic plan so that Chairmanships can introduce priorities. One SAO suggested that a review of the Arctic Council's structure could be part of the strategic planning process. One SAO underlined that the AC strategic plan should not narrow the scope of activities envisaged in the Ottawa declaration. The WGs are developing broad overall themes that could be used to structure work plans and demonstrate how WG activities connect and interact. CAFF and PAME offered to make a first draft, and noted that these broad themes could inform the Council's strategic planning work; themes initially identified include (1) knowledge base around science/TLK, (2) environment/ecosystems, (3) sustainable use of resources, and (4) human health and building capacity to engage and adapt. Many SAOs and PPs noted the importance of retaining the core principles of sustainable development and environmental protection as expressed in the Ottawa Declaration, and one SAO stated that military security should remain outside of the Council's mandate.

### Summary / Conclusion

The SAOC noted that all who spoke supported the idea of working on a long-term strategic plan for the Council. He pointed out themes from the discussion, including (1) that form ought to follow function, (2) that a ten-year time frame (but no longer) seems appropriate for such a plan, and (3) that flexibility should be built in. Other points to which fewer delegations spoke directly were (1) that there should be room for consideration of the Council's structure, and (2) that it might be worth considering how the Council relates to other bodies as part of the process. There was a general sense that the strategic planning efforts should keep in mind the Ottawa Declaration. With these caveats, there was general agreement to embark on the development of an Arctic Council Strategic Plan along the lines envisioned and in accordance with the timeline suggested in the discussion paper. Commitments to move forward with this initiative will be reflected in the Fairbanks Declaration and the SAO Report to Ministers, as appropriate.

[Click to see the supporting document](#)

## 10. Sustaining Arctic Observing Network (SAON) update

### Background and discussion

The SAON vice-chair presented an update on the work, review, and future of SAON. SAON is focused on supporting and enhancing long-term sustained observation in the Arctic. It was recently the subject of an external review that offered several important critiques of SAON's present structure and functioning. In response, the SAON board has chosen to develop a strategic plan to:

- Refine its vision, mission and goals
- Improve its organizational structure
- Focus on funding and sustainability
- Increase outreach and communication efforts

One SAO began the discussion by asking for clarification on (1) the role of PPs in the SAON governance structure, (2) the current role of AMAP representing the Arctic Council on the SAON board, and (3) the potential for receiving more regular updates at future SAO meetings. The SAON vice-chair responded that the PPs are all members of the SAON board, an AMAP representative is the chair of SAON, and SAON would be happy to provide more frequent updates at SAO meetings. A PP noted the importance of establishing a common vocabulary with regard to community-based monitoring, and raised the issue of indigenous knowledge as data and the sensitivities that accompany it while also noting that the [Exchange for Local Observations and Knowledge of the Arctic \(ELOKA\)](#) is actively working to facilitate the collection, preservation, exchange, and use of indigenous knowledge. Two PPs also noted the practical challenges of ensuring PP participation in SAON, and one suggested that the connection between SAON and the Arctic Council is not as tight as it could be.

Those delegations that contribute financial support to SAON encouraged the others around the table to consider contributing as well.

### Summary / Conclusion

This item was for information. The SAOC noted that everyone supports the idea of SAON, and that the entity has had a number of successes in its first 5 years. Nonetheless, SAON is evolving, and this review process has delivered some good ideas for potential improvements to SAON, and for ways in which the Council can help it to improve.

*Click to see the supporting documents: [External Review Report](#); [Executive Summary](#)*

## 11. Task Force and other subsidiary body updates

### 11.1 The Task Force for Enhancing Scientific Cooperation in the Arctic (SCTF)

#### **Background and discussion**

The Co-chair of the SCTF presented an update on the group's work and thanked the Observers for their contribution in drafting the text. He drew delegates' attention to the draft text of the agreement, which has been agreed upon *ad referendum*, and which is expected to be ready for signature at the Fairbanks 2017 Ministerial meeting. Two annexes are still in process, the first concerning geographic scope and the second concerning nomination of national authorities responsible for implementation. He also mentioned that some editorial amendments to the draft agreement proposed by one State are now under discussion. In addition, the agreement must still be translated into Russian and into French.

During discussion, one SAO urged all Arctic States to expedite their domestic processes for approval, and multiple SAOs underlined the positive role of Observers during the negotiating process. Several PPs also noted with enthusiasm an article on TLK in the agreement.

#### **Summary / Conclusion**

This item was for information. The SAOC noted that everyone seems pleased with the progress that the Task Force has made in developing the draft agreement. The PPs have supported the TLK language and, in the Special Session with Observers, many spoke to the good outcome and that their concerns had been addressed. He offered congratulations to all those involved.

### 11.2 The Task Force for Arctic Marine Cooperation (TFAMC)

#### **Background and discussion**

The U.S. Co-chair of the TFAMC presented on behalf of the Task Force. From the TFAMC's most recent meetings, he noted that discussions have focused on (1) the needed functions of any future cooperative mechanism and (2) the appropriate form for such a mechanism. He indicated that preliminary consensus has been reached on the needed functions (some of which are already addressed in some way by the Council) and on a longer timeline for the work of this Task Force, but that discussions about the appropriate form for a cooperative mechanism have only begun. Those discussions so far have gravitated towards the idea of a "system of mechanisms" within the Arctic Council to enhance marine cooperation, including – but in no way limited to – a new body bringing senior marine managers directly into the work of the Council. The Co-chairs plan to circulate a draft report, cataloging the TFAMC's work to-date, for discussion and revision at the Task Force's upcoming meeting in February 2017.

During the discussion, one SAO expressed gratitude for the cooperative spirit and shared commitment of the eight States in this work, but also underlined the complexity in introducing the ecosystem approach when not all states have introduced this on the national level and in establishing a new body of marine managers under the Council that might possibly have the power to undertake legally binding decisions which is not currently a function of the Council. Two SAOs expressed the hope that the TFAMC will be able to complete its needs assessment in time for the 2017 Fairbanks Ministerial, and perhaps prepare a new, follow-on mandate for SAO approval prior to the Ministerial. One delegation welcomed the idea of continuing the TFAMC under the Finnish Chairmanship, and one PP drew delegates' attention to a paper from WWF that had been submitted for the TFAMC's consideration.

In response to delegates' comments and questions, the U.S. Co-chair noted a strong preference within the TFAMC for developing "organic" rather than top-down cooperation among the States. He said that the TFAMC is not presently seeking agreement on mandatory measures, but rather an organic exchange of information and finding opportunities for productive collaboration.

### **Summary / Conclusion**

This item was for information. The SAOC summarized the conversation on the TFAMC, noting the general desire that the TFAMC's mandate be completed in time for the Fairbanks Ministerial. Regarding the idea of continuing the TFAMC under the Finnish Chairmanship, he noted that Finland will of course have a large role in determining whether that will happen, and – if so – how. Regarding the concerns about the ecosystem approach, he noted that all governments have endorsed the idea of the ecosystem approach in principle, and that the Arctic Council's longtime focus on it makes it natural that it would form at least one of the pillars of future Arctic marine cooperation among the Arctic States.

[Click to see the supporting document](#)

## 11.3 The Task Force on Telecommunications Infrastructure in the Arctic (TFTIA)

### **Background and discussion**

The Danish Co-chair of the TFTIA presented delegates with an overview of the developing draft report, which he said is in good shape and will be finalized in time for the Fairbanks Ministerial. He highlighted several ideas about the TFTIA's work in general, not least that the work should be further developed in the future, and that – in terms of infrastructure development – the group realizes that a "system of systems" perspective involving public-private partnerships, private-sector development, and government initiative is important.

During the discussion, several SAOs and PPs urged the TFTIA to pay special attention to the recommendations that the report will contain, both as they relate to the concrete development of infrastructure by States and the private sector and as they relate to the next appropriate steps in this work stream. One SAO also inquired about the engagement of

the International Telecommunications Union (ITU) in the process. (The Co-chair responded that the ITU has been consulted.)

One PP noted the value of a close connection with the telecommunications working group of the AEC, and two other PPs emphasized the concrete value that improved telecommunications infrastructure could provide to their communities, e.g. telehealth/telemedicine etc.

### **Summary / Conclusion**

This item was for information. The SAOC noted several important points from the discussion nonetheless, including (1) the general view that this line of work should continue, (2) the desire expressed by several delegations for the TFTA report to include clear recommendations, not just on infrastructure development but on next steps in this line of work, and (3) the general view that engagement with the AEC on this subject is valuable.

[Click to see the supporting document](#)

## 12. Other business

### 12.1 Arctic Spatial Data Infrastructure (SDI)

#### **Background and discussion**

Prashant Shukle, Director General at the Canada Centre for Mapping and Earth Observation, provided an update on the Arctic SDI, an initiative to collect and present as much data as possible that can be geotagged, whether on biodiversity, economic, or social issues (et al). This update consisted primarily of a video.

During the discussion, one SAO pointed out that the SDI is, technically speaking, not an Arctic Council initiative, but nonetheless is something of enormous value to, and close connection with, the work of the Arctic Council. Multiple delegations – States, PPs, and WGs – expressed enthusiasm for this initiative and asked how they could make use of it, or contribute data. Mr. Shukle noted the many ways in which the project can be used to map information that the Arctic Council has, or expects to collect, and the SAOC encouraged the Arctic SDI to follow up and connect with the WGs in particular.

#### **Summary / Conclusion**

This item was for information.

*Click to see the supporting documents:* [Fact Sheet](#); [Digital Elevation Map](#); [Memorandum](#)

## 12.2<sup>1</sup> The economic dimension in the work of the Arctic Council

### Background and discussion

Canada opened a discussion of the economic dimension in the work of the Arctic Council that followed up on an earlier discussion at the March 2016 SAO meeting in Fairbanks. The outcome from the March discussion was that Canada would lead the process to consider following up on the Council's economic work in three ways; now posed again for SAO consideration:

- (1) The idea of an informal group to produce a paper containing specific ideas for expanding the Council's economic work had been vetted earlier; were SAOs still willing to arrange such a group?
- (2) Are SAOs willing to work out in greater detail what a cooperative relationship with the AEC might look like?
- (3) Is there interest in a briefing from Guggenheim Partners on the Arctic Investment Protocol (AIP)?

During the discussion, two SAOs expressed support in principle for this line of work. SDWG noted that it does a significant amount of work on this issue, and asked delegates to ensure that any other initiatives exploring further economic development work are complementary to one another.

Regarding the relationship with the AEC, the one SAO expressed readiness to see, on paper, Canada's views on that relationship, but expressed skepticism about the need for a formalized relationship. All that spoke to the AIP did not think that a briefing would be beneficial.

### Summary / Conclusion

No delegation supported the idea of a briefing for SAO's on the Arctic Investment Protocol.

Regarding the relationship with the AEC, the SAOC noted desire on both sides for collaboration, but – simultaneously – a lack of agreement about the extent to which such a relationship needs to be formalized in writing. He expressed a belief that the two entities will naturally have an evolving partnership.

Regarding the suggestion of an informal group, many did not respond to this aspect, perhaps needing some time to think about it. The SAOC asked Canada to recirculate its proposal for how such a group might look, and what its tasks might include. He said that if SAOs think this is a good idea the SAOC would be willing to take it up at the March 2017 SAO meeting. He reminded all delegates that any such proposed work must take into account clear connections to ongoing work in the SDWG and to work proposed under the Finnish Chairmanship.

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<sup>1</sup> This item was added at the beginning of the meeting, and is not reflected in the pre-meeting agenda.

Canada agreed to re-distribute a paper addressing some of these issues that was submitted as part of the documents for the March 2016 executive meeting.

## 12.3 Read-out from WG/Observer session

### **Background and discussion**

The Chair of EPPR delivered a brief overview of the roundtable portion of the special session held between WGs and Observers earlier in the week. She highlighted a few key themes that had emerged, including the following.

- Experts needed - Observers' would find it useful to receive "profiles" explaining what kinds of experts the WGs actually need for their work.
- Enhanced communication - Observers raised the issue of enhanced two-way communication and how best to gain a better understanding of the processes by which Observers can engage in each WG. Observers also asked that WGs consider reorganizing their websites to make it easier to find initiatives that are underway and identify the best opportunities for their engagement.

### **Summary / Conclusion**

This item was for information. The SAOC noted the generally positive reaction to Part II ("the Roundtable") of the Special Session on Observer Engagement, and suggested that the Finnish Chairmanship might consider replicating this particular event.

[END]