ARCTIC COUNCIL MEETING OF SENIOR ARCTIC OFFICIALS

Oulu, Finland May 15-16, 2002

MINUTES

1. OPENING OF THE MEETING

The Mayor of Oulu, Mr Kari Nenonen, opened the meeting, which was held at the University of Oulu. Mr Nenonen warmly welcomed the election of Mr Ole Henrik Magga as Chairman of the United Nations' Permanent Forum on Indigenous Issues.

2. APPROVAL OF THE AGENDA

• The Senior Arctic Officials (SAOs) approved the draft agenda, which was circulated by the AC Secretariat on April 12th, 2002 as the agenda for the meeting.

3. APPROVAL OF THE AD HOC OBSERVERS

• The SAOs granted ad hoc observer status for the meeting to the International Work Group for Indigenous Affairs, IWGIA (Meeting document [MD] 3.1.), The Arctic Circumpolar Route (MD 3.2.), United Nations Development Programme UNDP (MD 3.3.1. and 3.3.2.) and the University of the Arctic (MD 3.4.)

4. APPROVAL OF ESPOO SAO MINUTES

• The SAOs approved the minutes of the SAO meeting in Espoo, November 6-7, 2001 (MD 4.0).

5. JOHANNESBURG 2002, WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT (WSSD 2002)

- The SAOs decided to strengthen their efforts in influencing the final wording of the Chairman's Text for Negotiations for the WSSD 2002 (UN/CSD/Preparatory Committee for the WSSD) so that Arctic references such as the indigenous peoples' role, the Stockholm Convention on POPs and Arctic as an indicator region of global environmental health would be included in the final documentation of the Johannesburg Summit 2002. The Chair of the SAOs agreed to send a letter to the Bali Prep Com IV with a request to the delegations of the Arctic Council's (AC) member states (MS) and observer countries for coordinated efforts in the final stage of negotiations concerning the texts.
- The SAOs confirmed the intention to organize a side event in Johannesburg and invited Northern Forum to co-sponsor this event; the side event will present the AC as a model for partnership between governments and indigenous people and the ACIA as an Arctic activity of global relevance. The Chair was requested to prepare the program and apply for a slot at the official venue of the Summit.
- The SAOs decided to inform each other of planned actions for the WSSD process relevant to the Arctic and requested the MS, PPs and Observers to appoint contact persons for exchange of information, coordination and consideration of further activities in Johannesburg; the offer by Canada to take the lead among the contact persons was welcomed. The SAOs also encouraged possible activities in WSSD 2002 by the AC's Permanent Participants (PP) and Observers which contribute to the general goals of the AC. Existing material, such as the folder "An Arctic Message to Johannesburg 2002 Summit", the possible brochure prepared by the PPs and AMAP's fact sheets, could be distributed at events organized by various Arctic partners.

The Inuit Circumpolar Conference (ICC) expressed its disappointment over the content of the Chairman's Text for Negotiation/ the UN's Commission on Sustainable Development/Preparatory Committee for the WSSD. The ICC felt that both the AC's MS and observer countries should strengthen their efforts in making the Arctic more visible in the text. As key issues, the ICC suggested reference to the Arctic as an indicator of global change, the Stockholm Convention on POPs and stronger wording concerning the indigenous peoples. The ICC felt that organizing an Arctic coordinating meeting in Bali Prep Com IV could be beneficial especially if NGOs are provided the opportunity to participate as well.

The Chair of the SDWG, Mr Sauli Rouhinen, informed the meeting of the discussion on WSSD at the SDWG meeting in Oulu on May 14th, 2002. A drafting team was created to finalize the remaining third fact sheet on sustainable management and conservation of natural resources for the folder "An Arctic message to the Johannesburg Summit 2002". Canada presented a background paper prepared for the

SDWG meeting concerning possible actions at the Summit (SDWG/2002/A/3b) and it was decided to appoint contact persons, with Canada in the lead, for the purpose of exchange of information, coordination and consideration of further activities related to WSSD 2002.

Canada supported the ICC's initiative on strengthening efforts concerning the final text negotiations in Bali and welcomed the idea of convening an Arctic coordinating meeting during the Prep Com. Canada informed the meeting of previous attempts during the drafting process to influence the Chairman's text.

Raipon, too, supported the ICC's initiative, pointing out that the Arctic as a sink for pollutants is a specific indicator of the whole planet's health. Raipon regarded the AC's special structure with member states and indigenous peoples working together as an essential global model for cooperation.

The Arctic Athabaskan Council (AAC), The Gwich'in Council International (GCI), The Inuit Circumpolar Conference (ICC), The Saami Council and The Russian Association of Indigenous Peoples of the North (RAIPON) proposed the following text as an Arctic clause for the proposed Johannesburg Action Programme.

"As a result of climate change and long-range transport of certain chemicals, the circumpolar Arctic has emerged since the 1992 Earth Summit as an 'indicator' region of global environmental health. As such, we acknowledge the environmental protection and sustainable development work of the eight nations in the Arctic Council, aided by Arctic indigenous people, and encourage further comprehensive environmental monitoring in this region."

The Indigenous Peoples' Secretariat (IPS) proposed, on behalf of the PPs, three actions concerning the WSSD Summit and expressed commitment to coordinate PPs' involvement with the AC:

- a) PPs will produce a brochure that highlights the peoples of the Arctic and key Arctic issues and concerns related to the Summit themes
- b) PPs welcome the participation of the AC states in a side event at the Indigenous Peoples' Pre-Summit which will take place in Kimberley just prior to the Johannesburg Summit. PPs welcomed discussion of coordination of different Arctic-related side events in order to reach the maximum audience
- c) PPs also welcomed support for an Indigenous Cultural Event in the main program of the Summit.

The WWF gave support to the ICC's initiative on stronger Arctic text in the Chairman's paper and emphasized the Stockholm Convention on POPs as the Arctic break-through agreement on the global scale. The UNEP, the Arctic Center in Rovaniemi and the WWF are preparing an exhibition on the Arctic for the WSSD Summit. Some additional budget contributions are still needed. The Northern Forum expressed its satisfaction with the organization of the Arctic Side Event at UN headquarters in connection with the WSSD Prep Com II in New York in February 2002 and expressed willingness to contribute to such activities again in the future. The Northern Forum felt that the impact of climate change on the lives of Northerners deserves special attention and wanted to highlight the message that sustainable livelihoods were already part of life in the Arctic.

The Chairman, Mr Stenlund, warned that it might be extremely difficult in Bali Prep Com IV to have any new items added to the Chairman's text. The danger exists that the current text will be shortened even further. The main focus in the WSSD will be on the North-South dialogue. The best way to proceed is, according to Mr Stenlund, identification of a few paragraphs which could be further refined in accordance with Arctic preferences. The Chairman will prepare a letter for Bali to the delegations of the AC's MS and observer countries, PPs, Spain, the current President of the European Union, the European Commission and the UNCSD Secretariat where the Arctic concerns are spelled out once again. The meeting was of the opinion that the current Para 33e, in particular, in the Chairman's Paper should be rewritten to delete the confusing reference to the Antarctic.

All MS and PPs were asked to identify a contact person for the AC's WSSD task force. It was agreed that ACIA, traditional knowledge and indigenous perspective could form the thematic core of the Arctic side event. At the Chair's invitation Dr. Robert Corell agreed to present the ACIA at the WSSD. The Chair will start preparation of the side event and apply for a slot at the official venue of the Summit as soon as possible.

6. The Danish Presidency in the EU: Northern Dimension Conference in Greenland August 27-29, 2002

Denmark informed the meeting of the preparations for the Northern Dimension Conference scheduled for Greenland on August 27-29, 2002. The Danish Minister for European Affairs, Mr Bertel Haarder, has invited the member states of the EU, the seven Northern Dimension Partner Countries, the Council Secretariat and the European Commission to a ministerial conference in Ilulissat, Greenland. Invitations

were sent to the European Parliament, the Economic and Social Committee, the Committee of Regions, EIB, EBRD, WB, NIB, the private sector, Canada and the USA. The Home Rule Government of Greenland has prepared a report on Arctic issues "An Arctic Window in the Northern Dimension" and it is available on the Home Rule Government's internet pages.

The representative of the European Commission, Mr. Busini, welcomed Denmark's plans to host a special meeting for the Northern Dimension and pointed out that the Northern Dimension's Action Plan will expire in 2003. Past experience, lessons learned and the expansion of the EU will be taken into account when actions concerning the future of the Northern Dimension Policy are being considered. The Arctic as a region opens new interesting prospects for the Northern Dimension, said Mr Busini.

The Chairman, Mr Stenlund, announced that Commissioner (External Relations) Christopher Patten has been invited to the AC's 3rd Ministerial Meeting in Inari and that he had attended a Canada-hosted luncheon in Brussels with the EU and EC representatives.. Canada welcomed the transatlantic cooperation with the EU on Arctic issues and pointed to its own national Northern Dimension og Foreign Policy. Canada is pleased with the synergies and cooperation of different policies concerning the northern hemisphere.

7. ACIA REPORT

- The SAOs welcomed the ACIA Progress Report (MD 7.0) and endorsed the steps introduced in the MD 7.1. as the strategic plan for preparing the final ACIA policy paper.
- The SAOs asked the key drafting team of the policy paper to stay in close contact not only with the scientists involved in the preparation of the ACIA scientific report but also with all the AC's WGs and PPs. The SAOs regarded the early engagement of the SAOs and Ministers in the key issues as being of utmost importance.
- The SAOs welcome the active participation of the PPs and see the role of traditional knowledge in the preparation of the ACIA documentation as essential.
- The SAOs welcomed the idea of having the ACIA Policy Paper available for public comments on the internet.

The Chair of the Assessment Steering Committee, Dr. Robert Corell, introduced the ACIA progress report (MD 7.0.) and the Chair of the AMAP, Helgi Jensson, introduced the ACIA Policy Document (MD 7.1.) to the meeting. The final ACIA reports are due to be finalized for the 4th AC Ministerial Meeting in 2004. The first draft of the scientific report will be discussed in the next ACIA Steering

Committee Meeting in Oslo in June 2002. As soon as the scientific draft is available, considerations concerning the ACIA Policy paper could be initiated. The final strategy for preparing the ACIA Policy Document will be presented to the SAOs for adoption at the next SAO meeting in October 2002.

Norway spoke of its plan to ratify the Kyoto protocol in the near future. Norway's Research Council has allocated additional funding of 3 Million USD for national research on climate change. Four workshops related to the research on climate change will be organized and the results of these workshops will be forwarded to ACIA. Norway felt that even though informing the general public is important, special focus should be in engaging political decision makers in discussing the prevention of the negative effects of climate change. AMAP, supported by Denmark, Iceland and Canada, suggested that the key policy questions might be identified by Ministers in a round-table at Inari so that the political issues could be discussed well in advance of the final edition of the scientific and synthesis documents.

Many MS requested additional information concerning the form of the public review of the ACIA Policy Paper. Dr Corell said that the intention is to have the paper available on the internet so that those interested in the topic could pass their comments on to the drafters. There are no plans to organize any big open hearings concerning the paper. Iceland was in favor of the proposed manner of organizing the public review.

Finland told about the intensified Arctic research activities of the Academy of Finland. Iceland said that it will ratify the Kyoto protocol soon. Raipon asked about the position of Canada and the US regarding Kyoto and about Russia's position on the Stockholm Convention. Iceland was in favor of the proposed manner of organizing the public review. Iceland pointed out that specific attention should be paid to how the policy issues are addressed and therefore the SAOs should have the opportunity to scrutinize the drafts for policy recommendations at the earliest possible stage. Denmark hopes for as extensive a scientific report as possible and identification of concrete problems to which the SAOs and thereafter the Ministers could try to find solutions.

The Saami Council was pleased with the participation of the Saami institutions in the ACIA process. The AAC and the ICC would like to deepen the PPs' involvement and the role of traditional knowledge in the ACIA process in all of its stages. The ICC underlined that scientific discussion about climate change should have a human face and the effects on the everyday life of people deserve special attention. They were concerned as well that the policy recommendations are specific like the 1st AMAP Assessment, and not general like the draft CAFF recommendations, and that the implications should be fully discussed with the PPs.

The WWF informed the meeting of its new report "Polar Bears at Risk, A WWF Status Report" and pointed out the importance of the Kyoto protocol concerning climate change. The United Kingdom is taking part actively in the ACIA process and is intensifying its efforts on the further study of climate change. Among research items of special interest the UK mentioned permafrost melting and the study of sea ice masses.

8.0 RECOMMENDATIONS FOR APPROPRIATE WAYS TO IMPROVE THE STRUCTURE OF WORK IN THE AC

• The SAOs approved the report to the Ministers on the review of the Arctic Council's structures (meeting document 8.0 dated May 15, 2002 FINAL). The WGs and ACAP were requested to follow the recommendations in the report in their preparation of the mandates and work plans to be included in the SAOs' report to the Inari Ministerial.

Norway thanked the Chair for the transparent review process and pointed out that Norway is still of the opinion that the AC should have a permanent secretariat. Norway welcomed the extension of the mandate of the ACAP until 2006 because the quest for concrete results in the AC's work should be promoted. Norway welcomed the broader mandate of the EPPR. Even distribution of the WG Secretariats would boost the circumpolar nature of the Council. The review process at this stage did not give answers to questions of securing stable funding for AC activities. Therefore financing is an issue the SAOs have to scrutinize more carefully in the future. Norway also felt that the responsibilities of the MS and those of the Council should be clearly stated.

Sweden reminded all the working groups, supported by several Member States, that WG reports and other relevant documents should be available at as early stage as possible prior to the SAO and especially prior to the Ministerial meetings.

PAME stated that it will revise its work plan, which was brought to the meeting with footnotes, according to the results of the review. EPPR said that including preparedness and response to emergencies related to natural disasters in its mandate would mean recruiting new experts into the WGs work. EPPR will discuss this issue at its next meeting. The ICC expressed thanks for the review process and hoped its results would facilitate improvements in the AC's work.

9. THE ARCTIC POLICIES OF THE OBSERVER COUNTRIES

- The SAOs welcomed the reports of the Netherlands, Poland and the United Kingdom on their Arctic policies and are looking for closer and more intensified cooperation with all the AC's observer countries in the future.
- The SAOs wanted especially to invite the observer countries to participate in the WGs' work.
- The SAOs welcomed with gratitude the news of the planning of an Arctic Conference at Wilton Park in 2003

The Netherlands expressed its willingness to strengthen its cooperation with the AC. A new policy paper on the Netherlands' involvement in the Polar area has been prepared and was approved by the Dutch Cabinet in April 2002 (an English version will soon appear on their website). One of the new initiatives in this policy document is the decision to establish an Arctic Program parallel to the Netherlands' Antarctic Program which has been in existence since the 1980s. In the program's research section the following four key themes have been chosen:

- a) the role of the Arctic in the global climate system: the mass balance of the land ice of Greenland and its relation to the sea level
- b) the role of the Arctic in global biological systems: population systems of West-European migratory birds and the influence of climate change on Arctic vegetation
- c) the role of the Arctic in global biogeochemical cycles.
- d) people in the Arctic system: indigenous peoples in the Arctic and the exploration and exploitation of the Arctic by West-European peoples.

The Netherlands will continue its cooperation with AMAP, CAFF, ACIA and ACAP. The Netherlands is considering a specific contribution to the second phase of the PCB Project within the ACAP framework.

Poland, too, told of the Polish Institute of Geophysics and Oceanography research interest in the Arctic. Special areas of interest are research done in Spitsbergen and with the research ship Oceania. Poland is also concentrating resources on climate change research. Next fall, Poland will host the Antarctic Treaty XXIV Consultative Meeting in Warsaw.

The United Kingdom considers the Arctic an immensely important region – one that has a fundamental influence on the UK. The UK's basic philosophy towards supporting the AC is to attempt to provide

technical input to those AC's projects that overlap with the UK's existing and planned interests and activities. Recent examples include the UK's Joint Nature Conservation Council input to CAFF, especially for the circumpolar seabirds working group, involvement with ACIA and IASC and the involvement of the Scott Polar Research Institute in the work of the CITF.

The UK has an ice-breaking research vessel which visits the Arctic every other year as well as a research base at the Norwegian research facility of Ny Ålesund. The UK hopes to see more active involvement engagement of other observer countries, namely France and Germany, in the AC's work. The UK is to host a Conference on Arctic Issues at the Foreign and Commonwealth Office's Conference Centre at Wilton Park in March 2003. The Netherlands has agreed to co-sponsor the event and this could be seen as a gesture from observer countries to the AC and the wider Arctic community to come and debate key Arctic issues in an informal and impartial way.

Canada and Norway acknowledged the value of Observer nations in the Working Group activities and projects. Canada suggested a special session with observers to discuss opportunities for joint undertakings.

10. The 3rd AC Ministerial meeting

• The SAOs endorsed the schedules for the timetable and the agenda (MD 10.1. & 10.2.), the outline for the declaration (MD 10.4. and the SAO report (MD 10.3.) as a starting point for the preparations for the 3rd AC Ministerial meeting in Inari October 9-10, 2002.

The AC Secretariat and Chair introduced the drafts for the schedule (MD 10.1. & 10.2.), agenda, declaration (MD 10.4.) and SAO report (MD 10.3.) for the Inari meetings.

Iceland and Canada welcomed the idea of having round table discussions. Iceland would like to see the discussions as result oriented as possible. Iceland, Canada and Denmark would welcome the early identification of specific key issues and cross cutting themes to be addressed at the round table.

The Chair, Mr Stenlund, emphasized that seeking political support for the AC's work is important. Finland has already received with appreciation news from many MS on participation of Ministers in the Inari meeting. According to Mr Stenlund the basis for the discussions in Inari will be the reports and key results of the work carried out by the WGs. Therefore the WGs should concentrate on their reports

to the Ministers on the key message keeping in mind the scientific based decision making in the AC. Mr Stenlund said that Finland as the Host Country is reluctant to prioritize the topics for discussion in more detail. The draft agenda already includes a general prioritization with focus on the AMAP Assessment report, climate issues and human development. Every MS should be given an opportunity to bring up issues of their interest at the discussion. The fair participation of the PPs in the discussion should be secured.

Norway confirmed the attendance of the Minister of Foreign Affairs, Mr Jan Petersen, and the President of the Norwegian Saami Parliament at the Inari meeting. Canada indicated thet the Minister of Foreign Affairs, Mr. William Graham expected to attend, and the USA indicated that Under Secretary of State for Global Affairs, Ms. Paula J. Dobriansky would be in Inari as well. Norway felt it is important that the Ministers will have an opportunity to learn about the extensive work done in the AC and give guidance for future work. Enough time should be reserved for discussion. Norway and Denmark felt that climate change should be one of the main topics both in discussions and in the declaration. The USA referred to the experience from the Barrow ministerial that round table discussions have to be well prepared in order to be lively and fruitful. Raipon suggested an "indigenous night" as an evening program in Inari.

The USA and Canada pointed out that the results of the WSSD should be taken into account in the Inari Declaration. Canada and Denmark supported stronger emphasis in the Inari declaration on capacity building as an overarching theme in the AC's activities. Canada and Iceland are not in favor of using the word "mouthpiece" in the declaration. Iceland was in favor of a thematic approach in the declaration and felt there is no need to identify certain international meetings which the AC should address but it should be left for the Chair's discretion to choose meetings which it would be appropriate to address on behalf of the AC. Iceland pointed out the need to rephrase the lines concerning sustainable livelihoods. Norway felt it important to explain the meaning of the precautionary priciple regarding the use of natural resources in the Declaration.

Russia gave a short report on the development of the Russian NPA-Arctic since the latest SAO meeting in November 2001. On Dec 7th, 2001, the GEF Council approved the Russian application for assistance to support the NPA Arctic with overall funding of 30 million USD, which should be provided on an equal basis from three sources: GEF, other foreign donors as well as the Russian Federation, in money or non-money form. At present, two co-executing organizations designated by GEF – the Ministry of Economic Development and Trade of the Russian Federation and the Advisory Committee on Protecting the Sea – are preparing the project document which is planned to be submitted to the GEF

Secretariat in August 2002 for its further approval by the UNEP. According to the Russian estimates, implementation of the GEF's project on supporting the NPA-Arctic can start in September – October 2002.

Russia pointed out that in the PAME meeting in Reykjavik on April 16-18, 2002 the issues connected with the NPA Arctic were discussed. According to Russia, the participants at the meeting again expressed their positive attitude towards NPA Arctic as well as the idea of holding round tables and a partnership conference. Russia is grateful to PAME and all Arctic states for understanding the significance to the entire circumpolar region and the planet, of finding solutions to the ecological problems of the Russian Arctic, and promoting the development of the NPA Arctic and the positive decision by the GEF-Council. Russia wanted to point out that it has adopted the NPA Arctic with the support of the AC in correspondence with the Ministerial Declarations if Iqaluit and Barrow. Despite the fact that the NPA Arctic is a national plan, Russia considers it as a contribution to the regional programs of the AC, namely to the RPA Arctic and ACAP. Therefore, Russia proposes that the NPA Arctic should be mentioned with the following wording, when the Inari Declaration is being drafted::

"The Ministers welcome the adoption by Russia of the National Plan of Action for protecting the marine environment from anthropogenic pollution in the Arctic region of the Russian Federation (NPA Arctic), the approval by the GEF Council of a full scale project for support of the NPA Arctic and the intention of the Arctic states to promote implementation of the NPA Arctic, including arranging round tables and the Partnership Conference."

The Northern Forum supported by the AAC felt that the declaration should highlight cooperation with regions and reflect the need for dialogue with Northerners. Raipon referred to the AC's unique model of cooperation between the Arctic states and indigenous peoples and felt that this model should be introduced more widely, at the global level. Canada suggested including reference in the declaration to future activities on issues such as oil and gas development, dumping and shipping. EPPR suggested including the consequences of climate change. NAMMCO suggested mentioning marine living resources.

The majority of intervening member states preferred that the preparatory meeting of SAOs be held directly following the WSSD so that the outputs could be considered in the SAO's Report to Ministers and the Inari Declaration.

11. 1. AMAP REPORT

- The SAOs are looking forward to the completion of 2nd AMAP Assessment Report in October 2002 and welcome it as a cornerstone when planning future activities in the AC.
- The SAOs decided to postpone the delivery of the assessment on the effect of petroleum hydrocarbons in the Arctic environment until 2006. The SAOs wanted to encourage the other WGs to participate in the preparation of the petroleum hydrocarbon assessment and the joint cooperation of all WGs in activities related to oil and gas. Accordingly, the SAOs should be informed of these planned activities well in advance.
- The SAOs recalled that that in order to secure circumpolar scope at least three countries should be involved in all projects.
- The SAOs welcomed the closer cooperation between AMAP and CAFF in monitoring.
- The SAOs welcomed the AMAP report (MD 11.1.) and thanked AMAP for good and extensive work but, bearing in mind limited resources, asked it to prioritize its activities as appropriate.
- The SAOs asked Finland, as the Chair of the AC, to address Arctic concerns at the meeting of the International Negotiating Committee (6th Session) on POPs in Geneva, June 17-20, 2002.

The Chair of AMAP, Mr Helgi Jensson, and the Executive Secretary, Lars-Otto Reiersen, introduced the AMAP report (MD 11.1.). SAOs direction was requested on a suggestion to delay the delivery of the Assessment on the Effect of Petroleum Hydrocarbons. The Human Health Scientific Report and the Synthesis Report of the 2nd Assessment were expected to be ready for the Inari Ministerial. The PTS project funding was 230 000 USD short, but Finland had offered some additional funding conditional on matching funds from the others.

Sweden indicated interest in allocating additional funding for the PTS project. Iceland said it would ratify the POPs convention in the near future and Finland was hoping to do likewise before the Inari Ministerial meeting. Canada, Denmark, Norway and Sweden have ratified both Protocols on POPs and Heavy Metals under the LRTAP, and the USA and Finland have also ratified the Heavy Metals Protocol. Canada adviced that UNEP was asking AMAP to provide monitoring as specified in the Stocholm Convention. The Chair asked that if accepted, this new responsibility must be factored into AMAP's priorities for SAO review. Those who have signed the Protocol should discuss ways to assess and monitor the levels of POPs and the need for possible future action. Appeals were made at the Oulu meeting to the Russian Federation to sign the global Stockholm Convention on POPs. (Right after the Oulu SAO meeting, it was announced that the Russian Federation has signed the Convention).

Norway said it is looking forward to the completion of the AMAP Assessment report, and resources for translating the Executive Summary into Russian will be available. Norway advised that it is in the process of ratifying the Stocholm convention and thanked both AMAP and CAFF for intensified cooperation in the monitoring activities.

The USA felt it was important to have all interested parties involved in the preparation of the AMAP oil assessment and the possible symposium on oil and gas. Accordingly, AMAP should consult the SAOs on preparations. Raipon expressed thanks for the progress made in the PTS project and the high level of expertise involved in the project. The WWF urged all Arctic States to ratify the Stockholm Convention on POPs before the Johannesburg Summit 2002. The WWF thanked the AC for its key role in the struggle to make the Convention a reality. EPPR expressed its readiness to cooperate with AMAP on oil and gas issues

Raipon introduced to the meeting a letter to the Chairman of the SAOs dated May 15th, 2002 and signed by the AAC, the Raipon, the GCI, the Saami Council and the ICC, concerning the LRTAP Heavy Metals and POPs Protocols and the Stockholm Convention on POPs. In the letter, all Arctic states were urged to:

- 1. sign and/or ratify the LRTAP heavy metals and POPs Protocols.
- 2. sign and/or ratify the Stockholm POPs Convention prior to the WSSD in Johannesburg.
- 3. prepare an Arctic Council POPS Statement for the Stockholm Convention INC-6 in Geneva, in June 2002, to be delivered by Finland as the Arctic Council Chair
- 4. continue to encourage other countries to ratify these LRTAP Protocols and the Stockholm POPs Convention.

11.2. CAFF Report

- The SAOs welcomed the progress reported in the CAFF report (MD 11.2.1.), and endorsed with appreciation and for submission to the Ministers, the CAFF Recommendations for Conservation of Arctic Flora and Fauna (MD 11.2.2.)
- The SAOs welcomed the intensified cooperation between AMAP and CAFF especially concerning monitoring activities

• The SAOs welcomed the election of Mr Kenton Wohl from the USA as Chair and Mr Esko Jaakkola from, Finland as the new Vice Chair of CAFF. Their terms will begin from the 3rd AC Ministerial Meeting onwards. Mr Snorri Baldursson, who is going to leave the CAFF Secretariat, received warm thanks for work well done.

The Chair of CAFF, Mr Sune Sohlberg, and the Executive Secretary, Mr Snorri Baldursson, introduced the CAFF report (MD 11.2.1.) and the Recommendations (MD 11.2.2.). The Recommendations are primarily intended to guide the AC's work; its MS, PPs, observers and working groups. However, the aim is to inform a wider audience as well. Canada pointed out that the ECORA project is important especially for local communities and this project is producing important information for decision making. Canada is willing to increase financial support for the ECORA project with 40 000 CAD/year for five years. Finland said it had committed 10 000 euros to the ECORA project in 2002. Finland wanted to draw attention in the recommendations to the further development and implementation of those recommendations which cover the issues of habitat fragmentation and degradation as well as global changes and activities concerning Arctic biodiversity.

Norway, too, expressed its support for the future development of the ECORA project. Norway felt that reducing the number of recommendations might have been a practical solution especially in the follow-up process. Norway informed the meeting about its national efforts to promote biodiversity conservation in the area between Svalbard and Norway's mainland. The USA welcomed the decision to include the Yakutia and Chukotka as model areas for the ECORA project and offered by financial and "in kind" support. The USA had had previous cooperation with these areas and the ECORA project is contributing successfully to this erstwhile cooperation. Raipon and the AAC were pleased with the results of the pilot project to identify the conservation value of sacred sites of indigenous peoples in the Kamchatka/Koryak and Yamal-Nenets area. Several elders have been interviewed and the project has had a positive impact on legislative work. Raipon would be interested in continuing this project and holding an international conference on it. The WWF informed the meeting of its ecoregion project and urged stricter wording in the CAFF recommendations.

11.3. EPPR'S REPORT

• The SAOs welcomed the update of the recent EPPR activities (MD 11.3.) and the presentation of the Circumpolar Maps of Resources at Risk from Oil Spills.

- The SAOs requested EPPR to continue its preparations for expansion of the mandate to include preparedness and response to emergencies related to natural disasters. This means inducting new experts into the EPPR's work and therefore the SAOs will do their best to engage new national representatives in this type of cooperation. More emphasis will be given in the future to prevention, preparedness and response to emergencies, involving radiological and other hazardous materials.
- The SAOs welcomed the election of Ms Laura Johnston from Canada as Chair and Mr Kjell Kolstad from Norway as the new Vice Chair of EPPR and received with gratitude the offer by Canada to host the EPPR Secretariat during its period as Chair.

The USA offered to lead a focus group on radioactivity and pointed out that the expansion of the mandate of the EPPR will involve the need to identify new experts for the work of the EPPR. This might require some time. Norway thanked the Russian Federation for its active role in the EPPR's work and Canada for the offer of hosting the EPPR Secretariat for the next two years. Canada expressed its gratitude for the development of the Circumpolar Map of Resources at Risk from Oil Spills in the Arctic. Canada welcomed the further development of the map and felt that it would also be useful for the other WGs. Easy access to the map should be guaranteed to a wider audience as well. Canada is planning to prepare a Shoreline Clean-up Assessment Team (SCAT) manual and welcomes the continuing cooperation of the USA and other interested countries in this initiative.

The Northern Forum was pleased that natural disasters were included into the EPPR's mandate because such disasters have tremendous effects on people's lives. The Northern Forum expressed its willingness to cooperate with the AC especially on the questions related to the EPPR's work.

11.4. PAME'S REPORT

- The SAOs took note of the PAME progress report (MD 11.4.) but asked PAME to work further in order to settle the open questions in the report, in line with the results reached in the review process (MD 8.0). PAME was asked to prepare a revised progress report and work plan, which should be based on consensus among all Arctic MS, and report to the Inari SAO-meeting in October 2002.
- The SAOs thanked the Russian Federation for progress made in the implementation of the NPA Arctic.

The Chair of the PAME, Mr Thomas Laughlin, introduced the PAME report (MD 11.4.). The report contained some footnotes because of a lack of consensus among MS in the WG. Mr Laughlin felt that because an agreement on the review process had been reached, the remaining unresolved issues in the PAME report would be worked out. Mr Laughlin reminded the meeting about the history of the PAME as well as the GPA and RPA processes and expressed hope that PAME will be able to support Russia in its efforts to implement the NPA, possibly in the form of roundtables and partnership conferences.

Norway thanked PAME for the report and was optimistic that the revised report and the work plan could be outlined according to the results of the review process. Norway emphasized, using the Snøhvit field as an example, that encouraging results of following the precautionary principle are available from the development of oil and gas activities in the North. Norway said it had prepared a white paper for coherent policy for marine coastal areas where balance is sought between sustainable development, use of natural resources and development of agriculture, etc. In the Integrated Barents Sea Program it is emphasized that proper impact assessments should be made before the undertaking of any drilling activities. Norway expressed its willingness to cooperate on these issues closely with the Russian Federation.

Iceland emphasized the importance of the marine environment in the overall protection of the Arctic environment. Iceland has adopted it's own NPA but intensified global efforts are needed for the protection of the Arctic environment. Iceland thanked PAME for giving support for the Russian NPA Arctic and hoped for continuation of these efforts. Iceland will contribute financially to the GEF project "Russian Federation – Support to the NPA Arctic".

Canada felt it was important to inform the ministers on the progress made in the implementation of GPA and RPA and advised that it had committed 1 million CAD over five years to the GEF Project of the Russian NPA-Arctic. Canada has offered, together with Iceland, to be lead countries in a project aimed at preparing a strategic plan for the protection of the Arctic marine environment. This strategy is due to be completed for the 4th AC Ministerial Meeting. Canada is proposing, with Iceland, to coorganize a workshop on the preparation of the strategy in 2003, where input from AMAP, ACIA and other AC working groups, PPs and observers would be sought.

The USA expressed gratitude for the work done in the field of oil and gas activities and encouraged PAME to strengthen its efforts in this field. Raipon expressed gratitude for the support to the Russian NPA Arctic. Russia saw the implementation of the NPA as a first priority in the immediate future and

regards cooperation with the PAME in this sector as crucial. Active implementation of the NPA is also a way to contribute to the implementation of the GPA, Russia stated.

11.5. SDWG'S REPORT

- The SAOs welcomed the election of Mr Hugi Olafsson as the Chair of the SDWG for the period 2002-2004
- The SAOs welcomed the SDWG's draft report (MD 11.5.0.a), thanked Canada for the generous offer to host the SDWG Secretariat beginning in the 2002-2004 Icelandic term and provide half of its budget, and approved the deletion of para 2.7. of the Operating Guidelines to accommodate this offer.
- the SAOs welcomed the initiative by Canada to develop an AC Capacity Building Strategy and a Pilot Project according to the proposal made in the meeting (MD 11.5.1.), and accepted its proposal to complete a 'best practices' review of capacity building in the Arctic during the 2002-2004 term.

The Chair of the SDWG, Mr Sauli Rouhinen, introduced the SDWG Report (11.5.0.a), Canada the AC Capacity Building Strategy and Pilot Project (11.5.1.a) and Dr Minna Turunen from the Arctic Center Study on the Visibility of the AC (MD 11.5.1.b). Commissioner Walter Parker from the US Delegation gave a presentation of the latest development in the CITF. The meeting welcomed with gratitude the offer by Canada to host the SDWG Secretariat (MD 11.5.0.b.) and recognized it as a viable means to increase capacity building. Some PPs indicated support for locating the Secretariat in the Canadian north, but it was also recognized that this decision would reflect the most effective way of serving the SDWG and its stakeholders.

As new projects for approval at the Inari Ministerial meeting, SDWG will propose the Arctic Human Development Report and Product Development and Processing in Sustainable Reindeer Husbandry. The USA stated that capacity building has been actively taken into account in the AC's work and concrete 'best practices' on how to improve work in the AC and the northern communities are always welcome. The USA said it might be worth considering whether a specific capacity building project produces any added value.

Norway welcomed the initiative on developing a capacity building project and felt that a specific communication strategy would be helpful for the Council's work. Networking should be promoted. The

work in the AC should be, according to Norway, action-oriented and aimed at concrete results. Iceland emphasized capacity building as a cross cutting theme in the Council's work, strengthening the social and economic pillars of sustainable development. Iceland pointed out the synergies between capacity building and the AHDR project.

The ICC felt that the AC should intensify its efforts in public relations recognizing the WWF as a major AC promoter. Connections to the media and to the grassroots should be intensified. The ICC proposed the development of an AC newsletter or other form of periodical publication. ICC saw the capacity building initiative as a means to build a positive legacy into an Arctic future.

Norway welcomed the progress made in the health initiatives and in the project related to tourism. The Norwegian-led reindeer project will bring its final report to the Inari Ministerial meeting and planning of the follow-up is being considered. Inviting specific private companies to projects, as in the case of the new proposed reindeer husbandry project, may involve risks of favoritism. The Council should bear in mind that handling several projects at the same time might lead to capacity limits as well. If there are projects which prosper without the active involvement of the AC, discussion should be raised on whether these projects should be continued outside the Council, Norway concluded.

The Chair, Mr Stenlund, said it was important to facilitate dialogue between the public and private sectors but caution is essential when commitment with profit-seeking companies is involved. It is important to have discussion at the WG level on proper procedures for these issues. Denmark wanted clarification on financing, including in-kind contributions concerning the AHDR and the administration of the project between the Oulu SAO and Inari SAO meetings. The USA found the special health meeting organized in Oulu on May 13th very helpful and was particularly pleased with the progress made in the project on infectious diseases noting the influence of the AC in the progress of this project.

The GCI welcomed the capacity building initiative in the AC and emphasized the need to strengthen the integration of knowledge on sustainable development within the community at large. The use of land and resources should take place with the long term perspectives borne in mind. Discussions about involving people and decision makers in the promotion of capacity building should be encouraged. Finding information at the community level is sometimes difficult, therefore efforts to promote communication are important, the GCI pointed out. However, people should be guaranteed a free choice of channel of information. The GCI also hoped for a strengthening of the PPs participation in the WGs' work.

The Chair, Mr Stenlund, said that bearing in mind the limited resources and the lack of a permanent Secretariat in the AC, all MS, PPs, WGs and observers should take responsibility in communication and information sharing concerning the issues relevant to the Arctic.

Canada expressed its gratitude for the unanimous support for the new SDWG Secretariat in Canada. A permanent SDWG secretariat could be seen also as an additional way to promote capacity building in the AC's work. Canada is also looking at the possibility of establishing a youth internship at the SDWG Secretariat as a component of the Children and Youth Project.

The Northern Forum thanked the SDWG for good cooperation in several projects. The Northern Forum invited the AC to use its communication network in efforts to reach local populations and regional governments. Raipon pointed out that because of the large, sparsely populated areas in the Russian North and lack of communication, obtaining equipment to bring information to the local level is a challenging task. The development of oil and gas activities means a challenge both for people and the environment and Raipon is hoping that the development of the use of natural resources could be done respecting the spirit of sustainable development. Raipon is also looking forward to the clean-up and restoration of old military bases. Many bases are ecologically in poor condition and the measures for handling wastes should be improved.

Iceland stated that the Steering Committee of the AHDR will be considering the budgetary issues as well. For the AHDR Project, a project secretariat will be established in Iceland. Iceland saw the support from Arctic Parliamentarians as crucial for the successful implementation of the project.

12. ACAP'S REPORT

- The SAOs welcomed ACAP's progress report (MD 12.0.) and encouraged ACAP to finalize its work on recommendations on cooperation with IFIs in funding of investments projects;
- The SAOs welcomed ACAP's cooperation with NEFCO in financial preparation of the Phase 3 PCB-project.

The Chair of the ACAP Steering Committee, Mr. Per Døvle, introduced the ACAP Report (MD 12.0). Norway expressed gratitude for the cooperation between the NEFCO and ACAP. Norway, supported by Canada, saw prioritization of projects as crucial when planning the future work of the AC. Progress has been made in budgetary planning of the projects but actions in this field should be intensified in the

future. The results of the first AMAP Assessment Report have been successfully translated into action and further steps in that direction should be taken. Implementation of the Cleaner Production, Eco-efficiency and Environmental Management systems in the Norilsk Mining Complex in the City of Norilsk is a good example of a project which is contributing to the implementation of the Stockholm Convention on POPs, Norway concluded.

Sweden, supported by Canada, welcomed the discussion on financial issues and hoped that progress will be made in a constructive manner and that cooperation between the AC and IFIs will be intensified in the future. According to Canada, WGs should aim towards the harmonization of the procedures involving the IFIs in the AC's activities. Cooperation and information sharing among the WGs in project funding is crucial in order to facilitate successful results. Canada welcomed progress made in the PCB and in the project on Evaluation of Dioxins and Furans in the Russian Federation.

The USA has allocated 35 000 USD for the pesticide project and would welcome cooperation with UN agencies such as UNEP and UNDP. These agencies have a lot of expertise in technical assistance and such cooperation would be a way to enhance capacity building in the AC as well.

13. TAKING WING – CONFERENCE ON GENDER EQUALITY AND WOMEN IN THE ARCTIC

- The SAOs welcomed the progress made in the preparation of the Taking Wing conference (MD 13.1. & 13.2. & 13.3.) and encouraged all the relevant parties to attend the conference in Inari in August 2002.
- The SAOs will consider the results of the conference in the preparation of the Inari declaration and further activities of the AC.

Ms Leila Räsänen, a Director from the Office of the Equality Ombudsman of Finland, introduced the progress report on the conference preparations (MD 13.1. & 13.2. & 13.3.). The international reference group has had two meetings since the Espoo SAO meeting and the program as well as identifying the key speakers for the conference has progressed well. Ms Räsänen emphasized that gender aspects should be a cross cutting theme in the AC's future work and, as examples, the AHDR project proposal and the ongoing health projects in the SDWG were named. The Report of the Taking Wing Conference will be published in English and in Russian, possibly also in Swedish, and will be available for the Inari Ministerial.

Norway welcomed the initiative on gender issues because the conference preparations have engaged new groups of people in Arctic cooperation. Norway thought it was important to secure the presence of indigenous participants in the conference. The gender perspective should be integrated into ongoing and upcoming AC activities. This view was supported by Iceland, Canada and the Northern Forum. Norway is exploring possibilities to bring up a project proposal targeted on gender issues. Iceland gave an assurance that gender aspects will get the highest priority in the preparation of the AHDR which includes a chapter on gender.

Canada expressed its willingness to help finance the participation of the PPs in the conference.

Denmark stated that Mr Ole Dorph, Minister for Social Affairs and Labor in the Greenland Home Rule Government, will be able to attend the conference and the USA stated that there will be a sizeable delegation from Alaska too. The Northern Forum will be able to contribute, including financially, to the gender aspects of the AC's work. The Chair noted that NCM will make a financial contribution to support the conference.

14. Follow-up on the Progress of the University of the Arctic

Professor Oran Young from the University of the Arctic introduced the progress report (MD 14.0) to the meeting. The nomination of Mr Lars Kullerud as Director of the University of Arctic was welcomed. Canada pointed out that a comprehensive strategy is needed to secure funding for the UArctic's future development. One way forward would be to include universities, institutions, foundations, private and public companies in the discussion of financial support. The USA stated that it will participate in the North2North program and that the University of Alaska is now becoming involved.

15. International Financing of Projects

Director Harro Pitkänen from the Nordic Environment Finance Corporation gave a presentation about project financing (MD 15.0). The intervention was warmly welcomed by the meeting. The Chair, Mr Stenlund, stated that seeking financial support for future activities will be one of the main tasks the SAOs have to address in the immediate future because the WGs are facing difficulties in raising funds for all activities included in their mandates approved by the Ministers.

Norway felt that project implementation experience added valuable intellectual capital to the AC, and that big projects would present special problems that were woth working through. Canada wanted to make sure that relations with NEFCO were not exclusive and that financial channels to other IFIs remained open. NEFCO pointed out that it welcomed partnerships with UNEP, UNDP, GEF and others to take advantage of their wealth of experience. NEFCO indicated that it is not yet ready to consider Observer status within the AC.

16. ANY OTHER BUSINESS

Mr Vladimir Moshkalo from IUCN introduced the Barents and Chukotka Regional Programmes developed in implementation of the IUCN Arctic Strategy (MD 16.1.) and professor Terry Callaghan (IASC) spoke about the diversity and health of the tundra (MD 16.2.). Both presentations were warmly received. The representative from the Faroe Islands reported on the Nordic Conference on the Protection of the Sea and the Sustainable Utilisation of Living Marine Resources in the North Atlantic which took place in June 2001. The adoption of the Torshavn Declaration was the beginning of an ongoing political dialogue on marine issues in the North Atlantic, in which the relevance of the Arctic Council as an adjacent process concerned with pursuing an integrated approach to marine environmental and resource management issues was also recognised.

17. NEXT MEETING

The next SAO meeting is scheduled for Inari, Finland, on October 7-8, 2002. The SAOs decided, however, to have an additional preparatory meeting before the Inari Ministerial. This drafting meeting will take place in Helsinki on September 5-6, 2002. It was decided to keep the core drafting team as small as possible. The quotas are: MS and PPs 2 persons each, WGs +ACAP/ACIA one person each.

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