

## **Circumpolar Information Tool Kit on Minerals, and Oil and Gas for Indigenous People and Northern Communities**

Proposal submitted to the Arctic Council Sustainable Development Working Group

### **1. Action proposed**

The development of an information toolkit to increase Arctic Indigenous peoples' and communities' knowledge of the sustainable development of mineral and oil and gas resources. It will also strengthen their capacity to take advantage of potential opportunities offered and share the benefits of mining, oil and gas.

This initiative will provide meaningful information for communities, governments and industries. The toolkit will feature easy-to-read descriptions of the activities related to the sustainable development of minerals and metals and oil and gas, and of impacts and opportunities for Arctic communities throughout the stages of the natural resources project cycle. It will be designed to: include explanations on the industry; its contributions to sustainable communities for current and future generations; the integration of environmental, social and economic considerations and the protection of traditional ways of life; and, address issues and problems common to both northern and indigenous peoples.

### **2. Initiator of the project**

The Government of Canada.

### **3. Lead country and project leader**

Canada will be the lead country.

Project Leaders: Natural Resources Canada, the Government of Canada.

### **4. Participating countries and Permanent Participants**

Canada and additional Member States and Indigenous peoples partners to be confirmed.

### **5. Justification of the action**

The sustainable use of natural resources, both renewable and non-renewable, is central to the development and economic growth of many Arctic countries. The exploration and development of minerals and oil and gas projects are increasing in the

Arctic and are now the basis for many regional economies. However, the management of these resources involves the challenge of balancing environmental protection with the needs and interests of communities to develop economically and socially.

Mining and oil and gas exploration and development have the potential to provide benefits and opportunities for all parties involved, including local communities, throughout the resource development life cycle, from exploration to closure. These activities can contribute to Indigenous and northern communities' development and well-being and can act to stimulate traditional activities and local economies. In addition, the benefits generated by non-renewable resources development can also be used to support other types of development (e.g. harvesting, tourism, small and medium enterprises). While wealth creation underpins prosperous and self-reliant communities, many Indigenous peoples and northern communities have limited capacity and have difficulty accessing the tools needed to take advantage of opportunities presented and make informed decisions about their participation in the development of these resources.

Continual improvement of Corporate Social Responsibility (CSR) performance by mining and oil and gas companies is recognized as being of fundamental importance for sustainable community development in the North. As such, communities around the globe, including in the Arctic regions, are increasingly working with companies on issues related to environmental stewardship, community engagement and economic development.

The objectives and priorities of the Arctic Council, as outlined by the current and future chairs (2006-2012) support sustainable management of natural resources and needs of Arctic communities and Indigenous peoples. In this regard, the proposed project will focus on cooperation and the exchange of experiences and lessons learned to:

- Increase the capacity of Indigenous peoples and northern communities to understand all aspects of the mining and oil and gas industries including their potential effects, benefits and opportunities;
- Improve the capacity of Indigenous and northern communities to address issues related to the development of mineral and oil and gas resources and take informed decisions, and,
- Increase the exchange of experiences and knowledge between countries, regions, northern communities, Indigenous peoples and industry.

## **6. Outcomes and benefits of the project, deliverables, and implementation plan**

### **Outcomes and benefits**

*For Indigenous people and northern communities:*

- Better understanding of mineral and oil and gas activities, their impacts, and potential opportunities.
- Increased capacity for informed decision-making.
- Enhanced relationships, cooperation and partnerships with resource companies.
- Increased benefits from resource-based opportunities including growth in: sustained employment, earned income, business spin-offs, skills transfer, community infrastructure, and number of Indigenous/industry partnerships.
- Improved well-being.

*For Governments:*

- Guide for engaging communities and resources companies in natural resources development that can be adapted to countries' specific needs and circumstances; and
- Better integration of the differences and commonalities between communities in programs, initiatives and policies.

*For Mining and Oil and Gas Industries:*

- Facilitated early dialogue with Indigenous and Northern communities
- Increased knowledge of the Indigenous Peoples way of life
- Provision of a framework for CSR for companies that are less aware, thus reducing risks associated with resource development.
- Improved industry Corporate Social Responsibility.

**Deliverables**

Our approach will lead to the following products:

- Production of draft toolkit ready to be tested in pilot communities.
- Testing toolkit in two validation and information sessions with selected communities.
- Final copy of the toolkit based on feedback received.

**Implementation Plan**

The first phase will involve the establishment of partnerships and consultation. A Project Steering Committee composed of representatives from the Government of Canada, Arctic Council Member States and Permanent Participants will be created. The committee will play an active role in the direction of the project including participating in the collection of data, reviewing and approving the final product.

The project will be undertaken in two phases with each phase requiring input from project partners and participants. The early and ongoing participation of

representatives of Indigenous Peoples and northern communities will ensure that their concerns are taken into account at the preparation of the toolkit and throughout all the phases of the project. The mining and oil and gas industries will also be a key strategic partner and will play an important role in the project including providing data, validating the material and disseminating the final products.

A consultant will be responsible for the development of the toolkit and will receive input from the Project Steering Committee for each phase of the project. The consultant will also submit progress reports following a prescribed timeline.

## 7. Summary

The purpose of the project is to develop a toolkit to increase Indigenous and northern communities' knowledge of minerals and metals and oil and gas activities and how these activities contribute to stimulate the economic development of communities while ensuring the protection of the environment and the traditional way of life.

Apart from the meaningful benefits to Indigenous and northern communities, the toolkit can serve to promote CSR and sustainable economic and social development in participating countries. It can also support the CSR performance of mining and oil and gas companies operating in Arctic countries, including the dissemination of best practices and the facilitation of knowledge sharing.

## 8. Project description (methods, work plan)

This section outlines the work plan and timeline envisioned to complete the project:

PHASE AND TASKS	PROPOSED TIMEFRAME	OUTPUTS
<p><b><u>Phase 1</u></b>  <b>Development of the draft toolkit</b>  <i>Tasks:</i>            -Establish partnerships            -Establish Project Steering Committee            -Consult with partners (Indigenous People, Northern communities, Industries and governments) on: goal, timeline, content            - Develop and validate Terms of Reference            -Hire a consultant            -Review existing tools, information</p>	<p>Winter 2008-Spring 2009</p>	<p>-A Project Steering Committee is put in place            -Terms of Reference for the toolkit are prepared            -Contract with consultant is signed            -A draft toolkit on mining and oil and gas activities for the Arctic Indigenous communities is presented at the AC Ministerial</p>

<p>and sustainable development processes</p> <ul style="list-style-type: none"> <li>-Collect additional information</li> <li>-Develop a draft toolkit</li> <li>-Review the draft with partners and key stakeholders</li> <li>-Revise and finalize draft toolkit</li> <li>-Select two pilot communities in collaboration with project partners</li> <li>-Prepare the delivery plan</li> <li>-Coordinate and deliver two validation and information sessions</li> </ul>		<p>Meeting in the Fall of 2008</p> <ul style="list-style-type: none"> <li>-Two validation and information sessions are delivered at community level</li> </ul>
<p><b><u>Phase 2</u></b> <b>Final toolkit</b> <i>Tasks:</i></p> <ul style="list-style-type: none"> <li>-Analyze the results of the validation and information sessions</li> <li>-Refine content and format the draft toolkit</li> <li>-Produce final toolkit</li> <li>-Distribute to partners and key stakeholders</li> </ul>	<p>Spring 2009-Fall 2009</p>	<ul style="list-style-type: none"> <li>- A toolkit on mining and oil and gas activities for the Arctic Indigenous communities is finalized and presented to the AC Ministerial meeting in the Fall of 2010</li> </ul>

- *Phase 1: Development of the draft toolkit*

- Mobilization, preparation:

As an initial step partnerships will be established with Indigenous Peoples, northern communities as well as with Member States and Permanent Participants. These partners will be consulted in order to obtain a mutual understanding of the purpose and direction of the initiative, its goals, expectations, timelines content and delivery. Early consultation and participation by Indigenous Peoples and northern communities will provide an opportunity make necessary adjustments to the toolkit to ensure that it responds to their needs. A Project Steering Committee will be established to oversee the development of the project.

- Draft toolkit:

The first draft of the toolkit will be developed by a consultant, who will review existing information and tools, as well as develop the draft toolkit that will be presented to the Project Steering Committee. Its contents will be customized to reflect the needs and concerns of northern and Indigenous communities and will include both mining and oil and gas activities. Project partners and participants will be asked to provide materials that contribute to the toolkit. It is anticipated that the toolkit will be comprised of the following:

- Basic information and explanations of activities at the different stages of the minerals and metals and of the oil and gas industries
- Government, industry and community roles
- Potential environmental effects, mitigation measures and monitoring activities
- Traditional knowledge
- Opportunities for community involvement
- Community employment and other economic opportunities
- Lessons learned
- Ways to maximize benefits to Arctic Indigenous peoples
- Leading practices
- Useful resources and links

The draft toolkit will be reviewed and validated by the Project Steering Committee and other partners.

-Testing of the toolkit in communities

Validation and information sessions on the toolkit will be held in an Indigenous and in a northern community selected in collaboration with Arctic Council Member States and Permanent Participants. The information will be delivered on site in working sessions, with industry participation. Attention will be given to ensure that the views and concerns of women and youth are included, since they have traditionally had a role in discussions between companies and communities; this is key to developing a successful product and to ensure community needs are met.

- *Phase 2: Finalization of the toolkit*

The results of the two community sessions will be analyzed and used to guide the development of the final toolkit. Once the toolkit is finalized, several options, including industry, government, Indigenous organization and communities mechanisms and networks will be considered for the dissemination of the product.

**9. Cost estimates and budget**

The cost estimates have been separated into two sections corresponding to the two phases.

Phase and activities	Estimated cost	Notes
<u>Phase 1. Draft toolkit</u>		
Preparation, consultation, (incl. Permanent Participants)	\$12,000	
Research, development	\$80,000	
Printing	\$10,000	
Planning of community sessions	\$ 2,000	
Delivery session 1	\$30,000	
Delivery session 2	\$30,000	

Analysis of results, report	<u>\$ 2,000</u>	
Total Phase 1	<u>\$166,000</u>	
<u>Phase 2. Final toolkit</u>		Does not include communication and distribution costs.
Review, final development	\$30,000	
Design	\$10,000	
Printing	<u>\$20,000</u>	
Total Phase 2	<u>\$60,000</u>	
Project management	\$32,850	Canada in-kind contribution
TOTAL	<u>\$258,850</u>	

## 10. Sources of funding

Funds will come from various sources within the Government of Canada, and potential partners (Member States, industry, communities).

## 11. Possible follow-up

After the completion of the toolkit, consideration will be given to possible requests for additional community sessions that could be received from Indigenous and Arctic communities. In addition, further evaluation will be carried out to ensure the toolkit meets the needs of all players. These additional sessions are proposed as follow-up activities.