

ARCTIC COUNCIL
SENIOR ARCTIC OFFICIALS' MEETING
Espoo, Finland
November 6-7, 2001

MINUTES

1. OPENING OF THE MEETING

The Chair, Peter Stenlund, opened the meeting by welcoming everybody to the City of Espoo which has played a crucial role in the transformation of Finland to one of the leading high tech countries in the world. Mr Stenlund recalled that in Rovaniemi last summer nobody could have expected terrorism to fundamentally change the perspectives of global development. The Arctic Council's (AC) Chair and Secretariat's immediate reaction after the first shock was a strong feeling of solidarity with American friends and the American people. Thereafter, determination was winning ground and it was decided not to let the terrorists dictate the AC's agenda: international cooperation and democratic processes must go on.

The Arctic may look, according to Mr Stenlund, like a safe haven compared to many other regions. However, the Arctic regions could not avoid some repercussions – at a CITF Workshop in Edmonton the Alaskan colleagues reported that the emergency situation has had strong immediate negative effects on the regional economy, transportation and tourism in Alaska. The European Arctic is more indirectly influenced through the detrimental impact on world economy outlook. Growing interest towards the Arctic oil and gas reserves will be expected, which may lead to economic growth in the Arctic but also call for urgent precautionary measures to safeguard traditional Arctic sources of livelihood and areas of pristine environment. These overall developments may influence the prioritization of future activities within the AC, concluded Mr Stenlund.

2. APPROVAL OF THE AGENDA

- The Senior Arctic Officials (SAOs) approved the draft agenda, which was circulated by the AC Secretariat on October 8th, 2001, 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.), High North Alliance (MD 3.2.), The Arctic Circumpolar Route (MD 3.3.) and United Nations Development Programme UNDP (MD 3.4.1. and 3.4.2.)

4. APPROVAL OF ROVANIEMI SAO MINUTES

- The SAOs approved the minutes of the SAO meeting in Rovaniemi June 12-13, 2001 (MD4).

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

- The SAOs took note of the progress made at the UN/ECE Regional Ministerial Meeting for the World Summit on Sustainable Development in Geneva September 24-25, 2001.
- The SAOs endorsed the plan for next steps as outlined in the paper (MD 5.4.) presented by the Chair to the meeting.
- The SAOs welcome the willingness of the WGs to contribute to the preparation of an information package by submitting fact sheets on three thematic topics: 1) Environment and Health (SDWG & AMAP) 2) Sustainable Management and Conservation of the Natural Resource Base (CAFF, PAME and SDWG) 3) Improving governance and democratic process at all levels (The Arctic as a case including the cooperation between governments and indigenous peoples.)

(Host Country and SDWG). Guidelines for the preparation of these fact sheets will be outlined by the SDWG.

• The SAOs took note of the UNEP report and expressed their gratitude for the decision to include a chapter on Polar regions in GEO III.

The Chairman of the SDWG, Mr Sauli Rouhinen, stated that the WSSD process was discussed both in the Capacity Building workshop in Helsinki, November 1-2, 2001 and the SDWG-meeting in Espoo November 5th, 2001. At both meetings the participation in the early preparatory stage of the process was highlighted. At this stage three, fact sheets will be prepared but as the preparatory process unfolds preparation of additional fact sheets might be considered. Mr Rouhinen emphasized also taking an active role in preparations in other international fields. Denmark is holding the EU Presidency during the fall of 2002 and Norway the chairmanship of the Nordic Council of Ministers.

Denmark supported the idea of preparing a fact sheet and promised to do its best in keeping the Arctic visible during its EU Presidency and in the preparatory process of the WSSD 2002. Denmark pointed out that also poverty, which is expected to be one of the themes in Johannesburg, is also of interest to the Arctic. Norway thanked the AC's permanent participants and member states for good cooperation in the UN/ECE meeting. Norway supported the idea of short fact sheets written in journalistic style but wanted to reserve for the SAOs the opportunity to scrutinize the texts before external distribution. Norway welcomed the idea of arranging a side event in the WSSD 2002 and supported the idea of including climate change in the AC's information package. A side event was also supported by the USA

Canada expressed its gratitude to the UNEP for including the Arctic chapter in the GEO III report and encouraged the UNEP to take into consideration the results of the work carried out in the AC's working groups. Canada supported the three topics suggested by the Chair for the fact sheets. Iceland saw in the WSSD 2002 preparations a need to concentrate on those global issues which have a clear effect on the Arctic having special emphasis on climate change and its effects in the Arctic. Sweden, too, wished to emphasize climate change.

The USA welcomed especially the third theme on governance and democratic processes. The AC is unusual forum in which member states and permanent participants take part on an de facto equal footing and this form of cooperation is attracting global interest. The USA supported the idea of making three concise fact sheets and volunteered to assist in the language checking. Sweden supported the three themes, including governance, and stressed the importance of short and focussed messages. Sweden would like the Arctic message to the WSSD 2002 to be of a more political nature based on the

conclusions drawn from scientific research. Also, the Chair of the PAME, Mr Thomas Laughlin, drew attention to the scientific work carried out in the AC.

The Saami Council brought up issue of the choice of the words indigenous people vs. indigenous peoples. *The ICC* pointed out that Canada is having the Arctic references in its national report to the WSSD 2002 and encouraged other member states to consider doing the same.

The Chair, Mr Stenlund, thanked Belgium, which is holding the EU Presidency at the moment, for good cooperation in having the Arctic paragraph included in the Geneva UN/ECE Ministerial Statement. Preparations are still in progress at the United Nations for the WSSD 2002 and it might be still too early to early to draw conclusions on which items will be included in the final agenda of the WSSD meeting. The scientific base will be the base on which the fact sheets will be built. Mr Stenlund pointed out that climate change and especially the valuable work carried out by the ACIA is of interest not only to the Arctic but also globally. He expected the Johannesburg meeting to be a huge event, so gaining visibility for the Arctic might be a difficult task. However, the indigenous peoples' perspective in sustainable development could attract wider attention.

6.1. AMAP REPORT

- **The SAOs welcomed the election of Mr Helgi Jensson as Chair and Mr Yuri Tsaturov as the new Vice Chair of the AMAP WG and approved the AMAP guidelines (MD 6.1.1.).**
- **The SAOs took note of the AMAP Progress Report (MD 6.1.1.1. and 6.1.2.2.) and committed themselves to make new efforts to secure funding of deliverables to the Ministerial Meetings.**
- **The SAOs considered the need and possibilities to raise funding for translation of the AMAP Assessment Reports into Russian and other languages.**
- **The SAOs took note of the financial problems in the AMAP project on Persistent Toxic Substances (PTS) and encouraged new efforts to intensify fund-raising.**

The Operating Guidelines for the AMAP were approved (MD 6.1.1.) *The Chair of the AMAP*, Mr Helgi Jensson, and the Executive Secretary of the AMAP, Mr Lars-Otto Reiersen, gave a report to the meeting on the recent AMAP activities (MD 6.1.1.1. and 6.1.2.2.) especially pointing out the serious lack of funding in which the AMAP is struggling in the production of the five AMAP assessment reports for the 2002 AC Ministerial Meeting. Mr Jensson stated that the amount missing is still between 50 000 - 60 000 USD. Mr Reiersen confirmed that the previous AMAP Reports have been widely used

and based on past experiences, the pre-order rate at the moment is surprisingly low. Under the current budgetary situation the AMAP will not be able to produce enough copies of the reports to be distributed in big international meetings like the WSSD 2002. The 2nd AMAP Symposium on Environmental Pollution in the Arctic scheduled in Rovaniemi, Finland in October 2002 is still lacking 1/3 of its funding.

Finland has allocated 200 000 FIM for the production of the reports and 700 000 FIM for the PTS-project. Finland requested the Steering Committee of the PTS-project to reconsider the scope and depth of the project, for example the number of pilot areas or target substances, if the fund raising for the project is not progressing. Finland also suggested that if the funding for producing the English version of the AMAP report proves to be difficult, omitting the additional language versions at this point might be considered. This idea was supported *by Norway*.

Denmark has reserved 350 000 DKR for the AMAP report, including the costs of translating it into Danish and Greenlandic. *Canada* has allocated both to the PTS report and assessment reports 40 000 CAD each and to the symposium 10 000 USD. *The USA* has reserved 82 000 USD for the symposium and reports. *Norway* pointed out that the AMAP reports have been used widely in different international fora and the translation of them into different languages is important. Therefore new resources for funding should be examined. Norway will continue its support for the AMAP Secretariat and funding for both the PTS project and symposium will be looked after.

The Raipon expressed its gratitude for AMAP's work especially concerning the PTS project. The Chair of the Raipon, Mr Sergei Kharioutchi, promised the Raipon's full support and cooperation in this project. Mr Kharioutchi said that the Russian version of AMAP report is highly valued because it is widely used especially in remote areas in the Russian Federation.

AMAP presented to the meeting a proposal for arrangement of a joint international conference on oil and gas activities and pollution threats in the Arctic to be held in 2003. AMAP's proposal was that the focus of the conference wouldn't be only the environmental monitoring and pollution assessment aspects but also issues related to technical operational plans, emergency contingency plans, and consequences for the Indigenous Peoples of the North. Because the proposal was brought directly to the meeting the SAOs took notice of this proposal but didn't at this stage make any decisions concerning the arrangement of the conference

6.2. CAFF Report

- The SAOs took note of the progress reported in the CAFF report (MD 6.2.1.) and welcomed the resolution of management issues in the Ecora project
- The SAOs welcomed the intensified cooperation between the AMAP and the CAFF and encouraged both WGs to strengthen steps in that direction especially concerning monitoring activities
- The SAOs recommended the CAFF to elaborate the recommendations based on the discussion at the meeting and submit a new revised version for circulation well in advance of the next SAO meeting, scheduled for May 2002 in Oulu. AC Member States, Permanent Participants, other Working Groups and Observers are welcome to send written contributions to the CAFF secretariat by the end of the year 2001.

The CAFF's Chair, Mr Sune Sohlberg, introduced the CAFF's report (MD 6.2.1.) on working groups' recent activities. Mr Sohlberg was happy to announce that the CAFF's Overview Report has become a bookstore best seller. *Sweden* gave strong support for developing a strategy to reduce seabird by catch in gillnet fisheries. The target group of the CAFF's recommendations should, according to Sweden, be the Arctic Council, its Member States, Permanent Participants, Working Groups and Observers. This view was shared by *Norway*. *Canada* welcomed the resolution of the ECORA management issues and is looking for funds for the project. Canada would like to emphasize the circumpolar angle of the recommendations and would welcome more detailed information on projects in the CAFF's report to the SAOs. Canada would like to have more time to consider the recommendations introduced to the meeting and encouraged the CAFF to cooperate with other AC's working groups and interested parties in refining the recommendations.

Iceland congratulated the AMAP and the CAFF for the good co-operation so far and proposed that the two WGs would develop ideas about further co-operation in the area of monitoring. *Finland* too was happy with increased coordination between the AMAP and the CAFF. Iceland would like to see proper discussion of the recommendations to take place among the SAOs before they are introduced to the Ministers. *The USA* pointed out that it might be unrealistic to expect to get approval from the Ministers for a large number of specific recommendations. The USA saw the Globe programme as an excellent example of the programme to combine children's education and scientific work. The USA also pointed out that projects concerning fisheries touch several administrative branches and therefore special attention is needed in project description. Norway supported the view that it was necessary to move in a

prudent manner with such a large number of specific recommendations. The SAOs must be fully involved.

The Raipon was pleased with the CAFF project on the analysis of the conservation value of sacred sites of indigenous peoples of the Russian Federation. The Raipon Chair, Mr Sergei Kharioutchi, told the meeting that awareness of the existence of sacred sites in the Arctic has increased thanks to the CAFF project. Mr Kharioutchi expressed a wish to have the outcome of this project also available in Russian. Many AC- related projects have been able to provide tools for the Raipon in lobbying on legislative issues in the Russian State Duma. *The ICC* would like the CAFF recommendations to be more specific and welcomed the CAFF's initiative on preparing a compendium of ecologically important marine areas. *WWF* expressed concern at the downgrading of wider political interest in conservation issues. *WWF* felt it was difficult to find political support on projects concerning conservation. *WWF* also congratulated AC for the progress made in the sacred site project.

6.3. EPPR'S REPORT

- **The SAOs took note of the update of the recent EPPR activities.**
- **The SAOs took note of the information provided by the Russian Federation on the project proposal on Development of the System of Interstate Interaction for Prevention of Transboundary Accidents and Elimination of Consequences of Major Accidents and Disasters with Hazardous Materials Releases in the Arctic Region among Arctic Council Member Countries and requested the EPPR to consider this initiative at the forthcoming meeting.**

The Chair of the EPPR, Mr Olli Pahkala, stated that the Circumpolar Map on Resources at Risk from Oil Spills is still under preparation. The US experts are checking the accuracy of the US data submitted to the Norwegian consultant Akva-Plan. The first set of revised data has already been sent to Norway and the remaining data will be sent by the end of the year 2001. The final product of the project, according to Mr Pahkala, can be presented in May 2002 at the SAO meeting in Oulu.

Source Control Management study at Apatit Water Works (Kola Peninsula) is in progress. It will be completed and a draft report delivered to EPPR at the next meeting. *Finland* has conducted a questionnaire in other Arctic States on past major accidents within Arctic Area - both natural and man-made. The results of this exercise might be useful in discussions on considering the scope of the mandate of the EPPR. Mr Pahkala said that he is preparing a shopping list of possible new EPPR

projects and activities. This issue will be discussed at the next EPPR meeting and the results will be reported to the next SAO and AC Ministerial meetings. Mr Pahkala expressed hope for raising interest for new projects and lead countries.

The Russian Federation referred to the fax sent by Vice Minister Mikhail Faleev, Emercom of Russia, dated July 16th, 2001 on the Development of the System of Interstate Interaction for Prevention of Transboundary Accidents and Elimination of Consequences of Major Accidents and Disasters with Hazardous Materials Releases in the Arctic Region among AC Member States and welcomed all Arctic Council member states to join the project. Mr Pahkala promised to add the fax to the EPPR distribution list and include the project proposal on the agenda of the next EPPR meeting.

The USA proposed further cooperation in the fields of oil and ice and informed of a workshop on Natural Hazards. *Sweden* spoke about the Barents Rescue 2001 exercise and *the Northern Forum* expressed its interest in closer cooperation with the AC especially in the field of emergency preparedness.

Mr Pahkala was pleased to hear of intensified cooperation especially at the regional level but reminded the meeting that the EPPR is not an operational body on emergency issues.

6.4. PAME'S REPORT

- **The SAOs took note of the PAME progress report (MD 6.4.1.)**
- **The SAOs congratulated the Russian Federation on the adoption of NPA- Arctic and its incorporation into the Russian institutional system of the Federal Target-Oriented Programmes “World Ocean”.**
- **The SAOs encourage Russia and its supporting partners in their efforts to raise funding for the implementation of NPA-Arctic.**
- **The SAOs encouraged PAME to continue to participate in the preparation of a Partnership Conference with participation from both the public and the private sectors.**
- **The SAOs took note of the progress of the Runarc project (acknowledging that this project seems to correspond to Arctic Council’s project criteria) and recommended the project for further financing by the partners, including Russia.**
- **The SAOs recommended the PAME to coordinate transportation activities with the corresponding activities currently ongoing within the SDWG**

The Chair of the PAME working group, Mr Thomas Laughlin, introduced the PAME reports to the meeting (MD 6.4.1.1 and 6.4.2.2.). *Mr Boris Morgunov* from the Russian Delegation stated that the process of finalization of the NPA-Arctic is now complete. The Deputy Minister of Natural Resources and the Chairman of Roshydromet endorsed the NPA-Arctic in summer 2001 and the First Deputy Minister of Economic Development and Trade, Mr Materov, approved it on the 8th of September 2001. The NPA-Arctic has thus been incorporated into the Russian institutional, administrative and legal system through the Arctic and Antarctic sub-programmes of the World Ocean Federal Target-Oriented Programme, approved by the Government of the Russian Federation.

This, according to Mr Morgunov, signifies that co-ordination of the activities of all relevant Government departments, the Russian Academy of Sciences, the regional executive authorities and the private sector has been ensured in measures to protect the Arctic marine environment from pollution. The Russian Parliament, the State Duma, debated NPA-Arctic at its hearing in March 2001 and gave its overall approval. Mr Morgunov said that he is aware that all circumpolar countries play an important role in the follow-up to the Global Programme of Action (GPA), which, at the invitation of the Government of Canada, will have its inter-governmental review in Montreal. The NPA-Arctic Russian Federation will be showcased at that Meeting and the Deputy Minister, Mr Tsikanov, will lead the Russian delegation.

Mr Morgunov emphasized that the NPA-Arctic is a strictly national instrument, to be implemented by the Russian executive agencies with the co-ordination of the Ministry of Economic Development and Trade. However, the Russian Federation welcomes all international support for the NPA-Arctic, as this will allow the Russian Federation more effectively and rapidly to improve the environment in the Russian Arctic and the circumpolar region as a whole. Mr Morgunov announced that, following lengthy consultations and collaboration with international partners, the Russian Federation has completed application for a full GEF project on support to the NPA-Arctic Russian Federation. The Deputy Minister of Natural Resources, as the GEF focal point, has given his endorsement to this project. The application has now been cleared by the GEF Secretariat and forwarded for consideration at the next session of the GEF Council, to be held on 6-7 December in Washington, D.C. The GEF Project Brief has been posted on the web by the GEF Secretariat.

Mr Morgunov also stressed that the Russian Federation is counting on financial support for the project from bilateral partners. The Russian Federation does so on the strength of the assessment by Professor Gray of the University of Oslo, undertaken on behalf of the Scientific and Technical Advisory Panel of GEF, and the highly positive comments on the project by the GEF Secretariat and UNDP. Additionally,

said Mr Morgunov, Deputy Minister Tsikanov, in a letter to Ahmed Djoghlaf, Executive Co-ordinator of the UNEP/GEF Coordination Office, in which he proposes clarification of the wording of some provisions in the full GEF project application, has confirmed that if the project is approved by GEF the Russian Federation will provide one third of the total \$US 30 million project cost in cash and in kind from all of the various Russian sources (the federal authorities, regional executive authorities and the private sector) on condition that the appropriate contribution is made by bilateral partners.

Mr Morgunov stated that the Russian NPA-Arctic, as the Russian Federation's national contribution to the Arctic Council Regional Programme of Action for the Protection of the Arctic Marine Environment from Land-based Activities and Action Plan to Eliminate Pollution of the Arctic, will provide a powerful impetus to the development of bilateral and multilateral co-operation. In accordance with a Memorandum of Understanding that the Russian Federation has concluded with the ACOPS, as the co-executive agency of this GEF project, the ACOPS has held consultations with many partners.

Mr Morgunov added that the Strategic Action Plan, a common feature of a full GEF project, will also pave the way for preparations towards the Partnership Conference, which was endorsed at the Iqaluit and Barrow Arctic Council meetings. It also paves the way, according to Mr Morgunov, towards future large-scale capital investment, which will serve the objectives of environmental protection and sustainable development, producing a "win-win" situation.

Finally, Mr Morgunov proposed that the SAOs should support the idea of holding round table meetings in the United States and Finland. This idea was first put forward at the PAME meeting in Washington, D.C., in January 2001. The purpose of the round tables is to demonstrate political support for the Russian NPA-Arctic with the purpose to communicate the commitment of the governments to the process as to maximize possible support from the private sector and IFIs.

The NPA-Arctic process has received technical support from the USA. *The US delegation* welcomed the idea of organizing a roundtable for businesses. *Norway* thanked the PAME for intensified cooperative actions with other AC working groups. Norway pointed out that the RUNARC Programme (Russia-USA-Norway Offshore Oil and Gas Regime) can make good use of the PAME's updated Offshore Oil and Gas Guidelines. *Canada* expressed its support for NPA-Arctic and saw it as an important component in the upcoming GPA Intergovernmental Review Meeting in Montreal. Canada also welcomed the work carried out in the RUNARC project. As far as the PAME's activities in shipping are concerned, Canada would also welcome input from other countries outside the AC. *The United Kingdom* expressed its interest in the PAME activities.

The Raipon wanted to draw attention to the position of indigenous peoples in the Russian Federation in utilizing the oil and gas resources of the Russian North. *The Raipon* wanted to emphasize the need to guarantee legally the traditional activities of indigenous peoples living in the area rich with natural resources. *The Chair of the Raipon*, Mr Sergei Kharioutchi, told the meeting that keeping up the dialogue with the Russian State Duma is a high priority to the Raipon and thanked the Russian Ministry for Economic Development and Trade for a rewarding dialogue.

The Chair, Mr Stenlund, found that the RUNARC Project promotes objectives important to the AC and asked the Russian delegation to pass on the meeting's support for the implementation of the project to the appropriate officials of the government of the Russian Federation. Mr Stenlund pointed out also that the draft declaration of the upcoming GPA Intergovernmental Review Meeting in Montreal is missing references to the Arctic and asked all the Member States to make efforts to remedy this defect.

6.5. SDWG'S REPORT

- **The SAOs welcomed the election of Ms Sheila Watt-Cloutier as the Second Vice Chair of the SDWG working group representing the permanent participants and approved the amended SDWG operating guidelines (MD 6.5.1.)**
- **The SAOs took note of the SDWG's draft report (MD 6.5.2.) and thanked Canada for organizing in cooperation with the Host Country the successful Capacity Building Workshop in Helsinki on November 1-2, 2001. The SAOs also welcomed with gratitude the quick delivery of the summary of the workshop (MD 6.5.3.)**
- **The SAOs welcomed the initiative on producing a Report on Arctic Human Development and asked the SDWG to develop the project proposal further for introduction at the next AC Ministerial Meeting.**

The Chair of the SDWG, Mr Sauli Rouhinen, introduced to the meeting the working group's draft report (MD 6.5.2.). *Canada* pointed out the need to discuss finding new funding mechanisms for the SDWG-projects. *Denmark* and *the USA* supported the idea of organizing a separate brainstorming session concerning new proposals for the SDWG projects. *The USA* pointed out the linkage between the capacity building and ongoing SDWG projects, including telemedicine and tourism. *Iceland* saw a need to address the capacity building theme systematically in the AC activities and gave, with *Norway*, support for the initiative on the Arctic Human Development Report which was introduced at the SDWG

meeting in Espoo on November 5th, 2001. *Canada* expressed the wish to refine some of the concepts of the project, taking into account work done in the UNDP.

Norway wanted to emphasize the guiding role of the SDWG's Framework document and gave support to the initiative by the Russian Federation to develop an action plan for further development of the SDWG's Framework document. Norway also welcomed the progress made in the SLICA project. *The ICC* expressed a wish to draft guidelines for the participation of permanent participants in the SDWG activities. *The Gwich'in Council International* thanked the USA for supporting its participation in the capacity building workshop. *The Saami Council* gave its strong support to the Children and Youth Initiative.

7. ACAP'S REPORT

- **The SAOs took note of the ACAP's progress report (MD 7.1.1.) and approved the ACAP's operating guidelines (MD 7.1.2.)**
- **The Host Country promised to define a solution for legal questions concerning the ACAP's cooperation with UNEP Chemicals**

The Chair of the Interim ACAP's Steering Committee, Mr Peter Døvlø, presented the ACAP's report (MD 7.1.1.) Mr Døvlø asked particularly for guidance concerning the procedure for development of a document (non legal) describing the co-operation between UNEP Chemicals and ACAP. UNEP Chemicals has expressed interest in participating and providing expertise in four of the ACAP projects: The PCB, Dioxin/Furan, Mercury and Obsolete Pesticide.

The Chair, Mr Peter Stenlund, welcomed the cooperation with ACAP and UNEP Chemicals and promised to consult with legal experts about the right procedures as soon as possible. *The USA* welcomed the action-oriented way of working that ACAP has followed and promised support for the Dioxin and Mercury projects. The USA also supported translating the fact sheets into Russian. *Canada* too expressed support for the Dioxine and Mercury projects and emphasized that the project on obsolete pesticides is a good example of concrete action in implementing the Stockholm Convention on the POPs Protocol. *The Russian Federation* thanked the ACAP for good work which is targeted at the most urgent hot spots. *Finland* has allocated 150 000 FIM for the Mercury and 350 000 FIM for the Obsolete Pesticides projects. Sweden and Iceland wanted to study the guidelines before approving them. At the end of the meeting, both countries accepted their adoption.

8. ACIA'S REPORT

- The SAOs took note of the good progress made in the ACIA (MD 8.1.1.)
- The SAOs warmly welcomed the participation and active involvement of the AC's observers (The UK, Germany, The Netherlands and IASC) in the ACIA
- The SAOs endorsed the first strategy outlined in the MD 8.1.2 on how to prepare the ACIA Policy Document. The ACIA policy document will be prepared by the AC working group without active involvement of the SAOs. In early 2004, the final draft recommendations will be handed over to the SAOs for their consideration. However, interim reports of the recommendations will be presented to the SAO meetings.

Dr Robert Corell, the Chair of the Assessment Steering Committee, introduced the ACIA progress report (MD 8.1.1.) to the meeting. The ACIA report will be the first extensive regional review of climate change which will crystallize the local consequences of the global-scale change. Mr Corell stressed that the aim of the ACIA Project is to have a closer connection between knowledge and action. Some preliminary thoughts on the final ACIA outcome will be introduced at the next Ministerial Meeting in Saariselkä 2002.

In the preparation of the ACIA Policy document the *Chair of the AMAP* Mr Helgi Jensson suggested the formation of a core team of professional writers. Also *the USA* was in favor of good team work. *Iceland* stressed the importance of presenting to the SAOs for discussion the key policy questions that will be dealt with in the ACIA policy document. *Denmark* is in favor of having public discussion about the document. *Iceland* and *Canada* wanted clarification of what is meant with the public review of the policy document before backing the idea of opening a public debate. *Norway* would like to keep the process of preparing the ACIA policy document as open as possible, involving all the relevant experts in the process. *Norway* saw need for some clarifications of the preparation process and welcomed some examples of the questions that will be addressed in the document. *Finland* pointed out that the aspects concerning climate change and the Gulf Stream should be taken into due consideration in the final document as this is of major significance to Finland and other Scandinavian countries.

The ICC reminded the meeting that AC's permanent participants follow the ACIA exercise with great interest and thanked the United Kingdom for its financial contribution to the ACIA project. The ICC saw as important the inclusion of the chapter on consequences of climate change in the final document covering its human and economic aspects. Especially its impact on the indigenous peoples' traditional

livelihoods, including fishing and trapping, should be noted. The AC should promote an intense dialogue with the Northern communities and the Northerners about the scientific basis of climate change, said the ICC.

9. NORWAY'S REPORT ON THE MEETING OF THE CHAIRMEN OF THE COMMITTEE OF SENIOR OFFICIALS (CSO) OF THE FOUR REGIONAL COUNCILS (ARCTIC COUNCIL (AC), BARENTS EUROARCTIC COUNCIL, (BEAC), COUNCIL OF THE BALTIC SEA STATES (CBSS) AND NORDIC COUNCIL OF MINISTERS (NCM)

- The SAOs thanked Norway for arranging the meeting for the Chairmen of the four regional councils and for an extensive summary of the meeting (MD 9.3.)
- The SAOs confirmed the AC's need to concentrate on circumpolar issues focused on region-wide activities
- The SAOs recognize the need to coordinate work well with the BEAC in order to avoid duplication and welcomed the synchronization with the BEAC as regards the Ministerial meetings
- The SAOs welcomed the new Arctic cooperation strategy introduced by the Nordic Council of Ministers (MD 9.2.) as a concrete step to enhance synergies and avoid duplication. The SAOs expressed also gratitude to the NCM for participation in funding of joint activities.

Norway introduced to the meeting a summary of the meeting of the Chairmen of the four regional councils (MD 9.3.) and *Mr Sture Persson* from the NCM introduced the Council's New Arctic Cooperation Strategy (MD 9.2). *Denmark* encouraged the AC working groups to pay more attention and find synergies when possible with work carried out by other players including the regional bodies. Also *Canada* supported strengthening cooperation with other players. . *The USA* pointed out that some AC projects like telemedicine and children and youth projects both have regional aspects. *Sweden* would like to emphasize cooperation with the observers. PAME encouraged intensified web page linking

10. RECOMMENDATION FOR THE APPROPRIATE WAYS TO IMPROVE THE STRUCTURE OF THE WORK IN THE AC BASED ON A NON PAPER PREPARED BY THE CHAIR

- **The SAOs requested that member states and permanent participants specify their positions on the non paper (MD 10) and submit to the Chair possible comments and suggestions in writing by the 31st of December 2001. The Chair will have discussion with the SAOs, as appropriate, as the preparations unfold for the Oulu SAO meeting in May 2002.**

The Chair introduced the non paper (MD 10). *Norway* thanked for the transparent procedure of consultations in which both Mr Haavisto and the Chair had prepared their papers. *Norway* regarded as essential the need for the permanent secretariat in the AC but if that is not possible now, efforts should be made to strengthen the Secretariat organised by the Chair. Assessed contributions would bring more predictability to the AC's work and more security in seeking funding. *Norway* pointed out that the AC is not yet ready for handling large scale funding projects. This view was shared by *Sweden*, who reminded the meeting also about the lead country principle and cooperative procedures.

Sustainable development should be the guiding principle in all the AC activities, said *Norway*, pointing out that it is the SAOs' task to see that this principle is observed properly. The SAOs should also, according to *Norway* and *Sweden*, give more guidance to the working groups.

According to *Norway*, the AC is a natural spokesperson on Arctic activities and its role in international fora should be strengthened. Also, the circumpolarity and the effects of climate change should get more attention in AC activities. This means more political attention to AC activities. Development of natural resources also needs more conceptual discussion in the AC. Special attention should be paid to ways of making AC projects more meaningful to the Arctic people. The deeper integration of the country observers into the AC's work is an important task ahead. The NGO observers play an important role in drawing attention to the role of the Council and in assisting the Council. However, none of the observers should speak or act on behalf of the AC, *Norway* pointed out.

Sweden welcomes discussion on the division of labor between the AC's working groups. Haavisto's report was a good starting point for the discussion and the goal should be to increase the efficiency of the SAOs and the working groups and hopefully lead to a reduction of the number of the WGs. *Sweden* expressed a wish to continue discussion of the review process on the basis of Haavisto's report. The chairs of different working groups should intensify their efforts for cooperation and dialogue. The informal coordination meetings between the SAO Chair and WG Chairs' are essential and should

continue. Sweden saw a need for discussion of the role of the SAOs in the context of giving guidance to the working groups and called for deeper political discussions as well.

Denmark supported the non paper as the basis for discussions concerning the review process. Denmark would be ready for radical changes e.g. . in forming a firm budget and permanent secretariat for the AC. Like Norway, Denmark would welcome more predictability in the AC's work. Concentrating the monitoring activities could be beneficial and the CAFF's role, especially concerning marine resources, should be clarified. Whaling is a topic which is dealt in other international fora, Denmark pointed out, and supported the idea of building the ACAP's role in the direction of clearing house functions.

Iceland saw a need for reducing the number of the WGs in order to rationalize the work in the council. The division of labor should be more clear and linkages should be developed further. Also Iceland saw a need for the clarification of the role of the SAOs because more political guidance is needed. Iceland wants to encourage both the AMAP and the CAFF to discuss by themselves arrangement for further co-operation in the area of monitoring.

At the SDWG more attention is needed for the economic component of sustainability, said Iceland. The EPPR activities could be transferred, according to Iceland, under the PAME and that the PAME and the ACAP should be merged into one pollution control group. Iceland congratulated the SDWG for good progress in its work so far and suggested that the SDWG serves as coordinator of the AC activities on sustainable use of natural resources. Also Iceland stressed the concept of sustainable development being an overarching theme in the AC activities and suggested "Working Group for Human Development" as the new name for the SDWG.

Canada expressed its readiness for a flexible solution concerning the review process but wanted more time for discussion. According to *Canada* the primary goal of the review process is to find a solution concerning the ACAP's future. Canada would not like to reopen the whole structure of the Council because such an effort would take time and resources away from the current activities and responsibilities. Canada saw it as important to secure funding for the AC activities and suggested bringing this issue to the Minister's attention. There is a clear need for external funding for the AC activities.

The USA expressed its openness to different kinds of approaches to the review, but requires additional time to consult with relevant administrative bodies before taking position on the suggestions presented by the Chair's non-paper. Internal consultations were required especially on the draft discussion of the

use of natural resources. According to the USA, the main focus of the review should be on the division of work among the four environmental working groups and on the future of ACAP. The USA expressed its support for ACAP's work so far and would like to see the fruits of its work secured for the future. With regard to the SAO's discussions of financial problems, the USA stressed its support for the lead country principle. The USA noted that the lead country approach was proving to be successful financially both in ACAP and ACIA.

The Russian Federation wanted at this point to put forward only some general remarks concerning the review process. According to the Russian Federation,, there is no need for big changes and the non paper presented to the meeting could serve as the basis for further discussions. Working groups need clear guidance in their work. The AC could serve not only as forum for more political questions concerning the Arctic but also as a guard and inventor.

The Saami Council welcomed both the Haavisto report and the Chair's non paper and thanked Norway and Finland for financial support. The Saami Council also wanted to know why IPS is kept outside the review process. *The Raipon* thought the AC should pay more attention to efforts at improving the form and substance of its work and not to the structure of the Council itself. The Raipon expressed its gratitude to the AC working groups because the results of many projects have given essential background material for the Raipon for lobbying some reforms of legislation in the Russian Federation. The Raipon sees it of utmost importance that Permanent Participants are actively consulted at all the project phases starting from tentative planning to the assessment of conclusions and evaluation of the project. The interests of indigenous people should not be used in a speculative or abusive way, the Raipon pointed out.

The ICC thanked the WGs for improved attention to indigenous perspectives in the AC projects. However, Permanent Participants should be better involved in the discussion on economic issues affecting the Arctic. As an example the ICC mentioned discussion on the deteriorating east-west traffic connections in the Arctic which have a direct impact on the physical and economic well-being of Northerners.

The Chairs of all the AC's working groups and the ACAP's Interim Steering Committee presented a joint paper on the technical suggestions on the organization of the AC working groups. This paper was signed by Mr Helgi Jensson (AMAP), Mr Sune Sohlberg (CAFF), Mr Olli Pahkala (EPPR), Mr Thomas Laughlin (PAME), Mr Sauli Rouhinen (SDWG) and Mr Per Døvle (ACAP). The paper included the following five theses:

1. Merge ACAP and PAME with their current terms of reference into a new group which would have a two tier remit: a) policy or normative issues and b) projects
2. Leave CAFF as it is but consider in 2004, on the basis of interim work by CAFF and AMAP, how best to organize monitoring and assessment.
3. AMAP – No change
4. EPPR – Retain with possible new terms of reference
5. SDWG – No change, but assure that its activities are consistent with the terms of reference of the other working groups, promoting cooperation where appropriate.

The SDWG Chair, Mr Sauli Rouhinen, said sustainable development as a concept needed special expertise in order to be well and fully implemented. It has to be integrated into the projects at the tentative drafting phase. Mr Rouhinen is not in favor of changing the name of the WG and stressed that the SAOs need special backing from the sustainable development experts in decision making.

The ACAP Chair, Mr Per Døvre, saw it as important not to separate the financial part of the project from the project implementation. Mr Døvre sees the project implementers as the best spokespeople for the projects in the efforts to find financial backing. This is especially the case in the projects where the major share of the investment comes from the IFIs.

The Gwich'in Council International stressed the importance of nurturing dialogue in the discussion of the use of natural resources and saw a holistic approach useful in discussion of the AC activities. Stress should be laid on the development of working processes. The Gwich'in mentioned the work on toxic substances to be of utmost importance. *The SCPAR* expressed its readiness to intensify the connections between the AC and Arctic Parliamentarians and welcomed the active role Permanent Participants have taken in the AC.

The Chair, Mr Peter Stenlund, said the AC should coordinate well its initiatives to IFIs and develop its understanding of rules and guidelines of potential external financial partners. IPS was left outside the review process because the Permanent Participants themselves have the best view how the IPS should be structured in the most beneficial way. Mr Stenlund saw it as important to have at the next SAO meeting discussion on the role of observers and what measures should be taken to better integrate them into the AC activities.

11. ARCTIC TRANSPORTATION AND INFRASTRUCTURE

- **The SAOs took note with appreciation of the transportation analysis prepared by the Finnish Ministry of Transport and Communications (MD 11.1.2.)**
- **The SAOs endorsed the conclusions of the Chair of the Arctic Transportation Workshop for Governmental Experts which was held in Tornio/Haparanda in September 2001 (MD 11.1.1.) and requested the CITF, as the leader of a circumpolar informal network of experts on aviation, to report on future progress to the SDWG**
- **The SAOs took note of the results of the Circumpolar Infrastructure Task Force Workshop, October 29th, 2001 in Edmonton, Canada and welcomed the US initiative on convening aviation experts from the Arctic for a meeting during the first half of 2002. (MD 11.2). The SAOs are also looking forward to the task force's work on surface transportation and telecommunications issues.**
- **The SAOs encouraged transport experts to continue their work with the aim of specifying the circumpolar cooperation agenda and requested ministerial experts to invite concerned partners including the AC's permanent participants and observers to take part in further work**
- **The SAOs took note of the Joint EU-Russia-Canada-US Workshop on Collaborative Technological Research for Arctic Development, Brussels October 25-27, 2001 and welcomed cooperation between various institutions such as the EU Joint Research Centre ISPRA and the AC's working groups and task forces.**

Mr Giuseppe Busini, Administrator from the European Commission, gave a short report on the Joint EU-Russia-Canada-US Workshop on Collaborative Technological Research for Arctic Development. Information on the workshop is available on the internet at http://asa2.jrc.it/arcticworkshop/new_page_1.htm. Mr Busini said the workshop had a good turnout and a basis for further cooperation among experts was created. He welcomed information sharing between the EC and the AC on relevant issues. Mr Busini spoke of the connection the infrastructure issues have with the EU's Northern Dimension policy and reported also Gasprom's interest in enhancing cooperation on infrastructure issues with the EU.

Sweden welcomed the news of Gasprom's and the EU's cooperation in the framework of the EU's Northern Dimension and asked the AC's member states to look for tools to promote cooperation in the field of transport and infrastructure.

Mr Walter Parker, Commissioner from the U.S. Arctic Research Commission and *Mr Mead Treadwell*, Managing Director of the Institute of the North, Alaska Pacific University, gave a report on the latest developments in the CITF (MD 11.2.). Information on the CITF is also available on the web at http://www.institutenorth.org/circumpolar_infrastructure_task.htm .

Mr Kaj-Peter Mattson, Ministerial Advisor from the Finnish Ministry of Transport and Communications thanked the AC for fruitful cooperation in drafting the Report on Sustainable Transportation and Development of Infrastructure in the Arctic Region (MD 11.1.2.) and said that both the utilization of the energy resources of the Arctic and the development of IT reflect a growing global interest into the Arctic infrastructure issues. Mr Mattson welcomed further cooperation on transport issues in the Arctic based on the recommendations of the Tornio/Haparanda meeting (MS 11.1.1.). *The Northern Forum* expressed its interest in enhancing cooperation with the AC especially in the fields of east-west aviation, telecommunications and e-programs.

The ICC reminded the meeting that it is working in four different countries and the lack of east-west aviation routes is a growing problem in its everyday work. The ICC regretted especially the closing down of the air route between Canada and Greenland. The Canadian delegation noted the concern about logistical problems in the Arctic and expressed keen interest in cooperation in this field. *Sweden* felt more intense information sharing especially in the field of transport is needed and named as good examples of more regional level cooperation the work of the Barents Euro-Arctic Council on transportation issues. Sweden reminded the meeting that the environmental aspects of transportation should be addressed in the AC. *Norway* felt that different aspects of the transport and infrastructure should be discussed. Maritime traffic will be increasing in the Arctic because of the growing oil and gas activities in the region. New prospects for business will be the driving force of the development of the infrastructure in the region Norway pointed out.

12. FOLLOW UP ON THE PROPOSED MOBILITY PROGRAMME WITHIN THE FRAMEWORK OF THE UNIVERSITY OF THE ARCTIC

- **The SAOs encouraged the Member States to consider their possible participation in the North2North Programme, the mobility programme component of the University of the Arctic, as an urgent matter**

Mr Esko Koponen from the Center for International Mobilisation of Finland introduced the progress report on the proposed mobility programme (MD 12.2.). According to Mr Koponen, mobility and internship programmes are important tools in the Arctic in efforts to promote capacity building. If three partners for the programme are found, Finland will organize in spring 2002 a clearing house meeting where the Terms of Reference and other practical arrangements for the programme could be agreed upon. *The USA* was not aware of receiving Minister Rask's letter (MD 12.1.). *Canada* will continue its support for the University of the Arctic but is not yet sure if it will be able to participate in the mobility programme. *Sweden* finds higher education in the North of utmost importance and expressed interest in participating in the mobility programme if there are at least three countries involved. Sweden stressed that commitments should be made before the end of the year. Iceland noted that there were much interest in the programme at the University of Akureyri.

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

- **The SAOs took note of the progress made in the preparation (MD 13.1.)**
- **The SAOs encouraged the reference group to further elaborate the envisaged themes based on the discussion at the meeting and to carefully consider the paper prepared by the Permanent Participants about the Arctic indigenous perspective on gender issues.**
- **The SAOs welcomed warmly Member States' offers to assist in the preparations for the conference**

Ms Leila Räsänen, General Secretary from the Office of the Equality Ombudsman of Finland introduced the progress report on the conference preparation (MD 13.1.). The international reference group had one meeting in the fall of 2001 and the next one is scheduled for January 2002.

The Permanent Participants presented jointly for the SAO meeting a change to the title of theme II introduced in MD 13.1. and presented proposals for sub themes for the same theme as follows:

Theme II: The Gender Aspect in the Self-Determination of Indigenous Peoples:

Gender (intergenerational)

1. Leadership roles
2. Gender roles in governance

3. Social and cultural change
4. Legislative practices and negotiations
5. Traditional knowledge and governance
6. Land rights, use, and relationship to the land

Sweden pointed out that that gender aspects touch both sexes equally and suggested that cooperation on gender issues should continue in the AC after the first conference. As sub themes for the conference, *Sweden* suggested violence against women, trafficking, men and equality at work and women's entrepreneurship as areas where *Sweden* could contribute with interesting new research. *Sweden* invited other countries to co-operate in these issues. As the number of themes were so many, it could be an idea for the reference group to choose a few of the themes at this event and to consider arranging a conference on women under each chairmanship i. e. every other year. *Canada* gave strong support to the initiative to raise awareness of gender issues in the AC and reminded the meeting of the progress made at the Whitehorse conference. *Canada*, supported by *Iceland* and *Norway*, wanted the Taking Wing conference to be more focused on specific themes. *Canada* suggested developing a more strategic framework for gender issues in the capacity building context.

The USA promised to send an Alaskan representative to the next reference group meeting. As possible sub themes for the conference *The USA* mentioned entrepreneurship, trafficking, domestic violence and health issues. *Iceland* too would like to reduce the number of sub themes. As a possible new Host Country of the AC *Iceland* was open to *Sweden*'s suggestion of organizing a follow-up meeting during the next chairmanship in 2002-2004, if there were a general interest in such a further meeting. *Iceland* and *Canada* gave support to the Permanent Participants' proposal considering theme II of the conference. *Iceland* reminded the meeting that intensifying efforts in human development is securing future opportunities. Both *Iceland* and *Norway* gave support to theme I (economic). *Norway* emphasized as sub themes trafficking, changes in the economic structure affecting women and women with higher education. Mainstreaming should, according to *Norway*, be integrated into all the themes of the conference. *Norway* suggested also including the theme of gender aspects in public administration e.g. gender in budgeting or gender budgeting. *Norway* sees the conference as a good way of creating networks and follow up is recommended.

Denmark found the tentative themes good but reminded the meeting that the core of the conference must be the Arctic. *Denmark* also suggested including economic self- sufficiency under the first theme. *The Gwich'in* reminded the meeting that even though some indigenous groups might look poor from the economic point of view they are rich spiritually, possessing wisdom and the traditional knowledge of

many generations. *The Gwich'in Council International* also criticized the planned date for the conference because it coincides with berry picking time in the North.

Finland pointed out that if the conference has strong emphasis on health issues it will mean inviting specialists of that field to participate. It would be most beneficial to have different target groups presented at the conference. *The Chair of the SDWG*, Mr Sauli Rouhinen, said mainstreaming could be integrated into all SDWG projects. Mr Rouhinen reminded the meeting that capacity building is also one approach into gender issues.

14. NORTHERN FORUM GENERAL ASSEMBLY IN EDMONTON, ALBERTA: REPORT BY GOVERNOR HANNELE POKKA

- **The SAOs welcomed the interest of the Northern Forum in enlarging their participation in the AC projects especially under the SDWG and the EPPR and encouraged the Northern Forum to participate in the work of the WGs**
- **The SAOs agreed to continue discussions on further cooperation between the Northern Forum and the AC.**

The Governor of Lapland, Ms Hannele Pokka, presented the main results of the Northern Forum General Assembly which was held in Edmonton, Alberta, on October 29-31, 2001 and introduced possible themes for mutual cooperation between the AC and the Northern Forum (MD 14.1.-14.6.)

15. The AC 3rd Ministerial Meeting in 2002

- **The SAOs approved gratefully the offer of Iceland to serve as the Host Country of the AC for the period 2002-04. This SAO decision is subject to confirmation by the Ministers in Inari.**
- **The SAOs confirmed the dates and location for the 3rd AC Ministerial meeting . The meeting will take place in the village of Saariselkä, in the municipality of Inari, on October 9-10, 2002**
- **The SAOs noted the formal deadlines following from the approval of the dates for the Ministerial meeting**

16. ANY OTHER BUSINESS

The IUCN expressed gratitude for contributions for preparing the IUCN Arctic Strategy and Action plan. The final paper will be introduced at the next SAO meeting. *The new Second Vice Chair of the SDWG*, Ms Sheila Watt-Cloutier, thanked the meeting for the support at the election and said electing a person who represents the Permanent Participants is a good example of capacity building. *The Arctic Athabaskan Council* expressed gratitude for the fruitful dialogue which is nurtured in the AC. The UNDP introduced its Arctic activities and thanked for the possibility to participate in the meeting.

17. NEXT MEETING

The next SAO meeting is scheduled for Oulu, Finland on May 15-16, 2002.

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