

**Draft Discussion Paper by the Norwegian Chairmanship:  
Improving Effectiveness and Efficiency of the Arctic Council**

In Salekhard, Ministers requested SAOs to continue to examine the organization of the Arctic Council and their work to improve the effectiveness and efficiency of the Arctic Council and to report back to Ministers in 2008.

Under the program of the Norwegian chairmanship, the SAO Chair is committed to continue consultations and implementation of measures to improve the effectiveness and efficiency of the work of the Arctic Council.

The SAO report *The Review of the Arctic Council Structures* presented to Ministers in 2002 provided a number of important insights and recommendations.

At the SAO meeting in April 2007 a general discussion took place on the on the paper prepared by the Arctic Athabaskan Council: *Improving the Efficiency and Effectiveness of the Arctic Council: A Discussion Paper*. Recent consultations held by the SAO Chair indicate that Permanent Participants and Working Group Chairs support many of the improvements recommended in the Arctic Council paper.

Suggestions for continued improvements relate to both the Arctic Council and to the functioning of its Working Groups. Improvements fall into primarily 4 categories: 1) Funding/Resources, 2) Priorities/Focus, 3) Working Group Coordination and Communication, and 4) Outreach.

### **Funding/Resources**

Resource constraints related to execution of mandated WG projects and activities, support for Working Group secretariats and funding for participation of Permanent Participants continue to be a major concern with potential implications for Arctic Council project outcomes.

All members of the Arctic Council have a role to play in building political awareness of Arctic issues, encouraging support for implementation of mandated Arctic Council projects, as well as promoting follow up to the outcomes of these activities.

*Projects:* Some projects continue to struggle for funding and to access necessary expertise and data.

Within the Arctic Council, as per the 2002 SAO Report, SAOs have an important role to play to prioritize among project proposals that require extensive funding and to avoid requesting from Ministers unfunded mandates. Some progress is being made to facilitate SAO action in this regard (see discussion on Priorities/Focus). However, consultations suggest that stronger efforts to establish long-term goals against which to assess funding priorities may be warranted.

As Working Groups activities continue to increase, Working Groups should be more prepared to develop proposals to seek funding from external financing partners. Strengthening coordination with other institutions and bodies active in the Arctic, and involving observers more fully in the work of Arctic Council may open up additional partnerships and funding opportunities. It needs to be recognized that not all topics can enjoy the same level of priority at all times. Working Groups may need to do more to rationalize work, schedule meetings as priorities dictate and to do more work by email when in a position to do so.

Outreach by the Arctic Council is also an important component of funding. Progress is being made by the SAO Chair, the Arctic Council Secretariat and Working Groups to enhance outreach and communication. This will contribute to keeping a wider range of potential funding partners alerted to Arctic Council activities (see discussion on Outreach).

*Working Group Secretariats:* There is a need to ensure reliable and sufficient funding for Working Group Secretariats. Resources for some Secretariats may be insufficient and relative resource levels are not consistent across Working Groups. One solution is an increase in voluntary funding by Member States. Alternatively, a more streamlined structure for Working Groups would decrease the costs associated with operating secretariats. A more streamlined structure would also facilitate greater coordination and other synergies among Working Groups and project activities.

*Permanent Participants:* The need to ensure reliable and sufficient funding for the participation of Permanent Participants in the work of the Arctic Council remains an important and on-going concern. Progress has been made to include funding for participation of Permanent Participants in some project activities. However, this is an issue that would benefit from a more formalized approach.

Financial assistance to participate in specific activities is one aspect, but consideration of efforts needed to build sustained capacity of Permanent Participants to organize and contribute their expertise should not be overlooked. Arctic Council activities themselves should be designed in such a way as to leave a legacy of capacity at the local and regional levels.

### **Priorities/Focus**

Prioritization is essential to maximize efficient use of resources. The number of Working Groups, secretariats and separate project processes is putting an ever increasing strain on financial and human resources. Permanent Participants in particular are finding it difficult to fully participate. In the absence of considerable additional funding and/or streamlining of Working Group activities, an exercise to establish long-term goals against which to assess priorities for work may be particularly useful.

There is strong support for the Arctic Council to examine its comparative advantage in the evolving regional and international context, and that the work program of the Arctic Council be tied to an assessment of longer term needs and goals of Arctic

Council (with less emphasis on adherence to the past structure and nature of Working Group activities).

Sustainable development is clearly the overarching mandate of the Arctic Council and SAOs recommended in their 2002 report that the Arctic Council needs to strengthen its work on the economic, social and cultural dimensions of sustainable development, including to “promote integration of environmental information into all economic activities”.

Many Working Group activities, e.g. the 2002 CAFF Flora and Fauna report, the ACIA, the AHDR, the upcoming Oil and Gas Assessment and Arctic Marine Shipping Assessment, ArcticStat, ECONOR and SLiCa, are providing important relevant inputs. However, to date, there is no overarching effort within the Arctic Council to more broadly synthesize the conclusions of these significant works from a sustainable development perspective.

The SDWG is considered to have a key role to advance implementation of the sustainable development program of the Arctic Council both in its own work and across the Working Groups.

The SDWG should continue its important focus on building the knowledge base of social, cultural and economic aspects of the Arctic. In addition, more activities that integrate sustainable development considerations across Working Groups by examining the integrated use of environmental, economic and social information in development and other planning, such as the Best Practices in Oceans Management project and the emerging work on adaptation, will help to further inform implementation of the sustainable development program of the Arctic Council.

### **Working Group Coordination and Communication**

Over the last few years, SAOs have been presented with various proposals for restructuring the organization of Working Groups and many potential benefits have been cited.

The restructuring proposals share an objective to address several concerns: 1) the efficient use of limited human and financial resources, 2) prioritization of work to maximize added value, and 3) addressing overlaps and gaps and improving coordination and communication between Working Groups.

Progress has been made to implement a number of general recommendations and some improvements have been realized.

As a first step, organizing the SAO agenda by themes will help to generate a more cross-cutting look at the work across Working Groups in the thematic areas, facilitate identification of overlaps and gaps and decisions to enhance synergies between working group mandates.

Regular meetings between the SAO Chair and Working Group Chairs have been found to be very valuable to share information and enhance coordination between the Working Groups. The staff of the new Arctic Council Secretariat is facilitating coordination between the SAO Chair and Working Group Chairs, including by attending Working Group meetings and encouraging timely receipt and distribution of key documents and reports. Provision of sufficient time for in-country expert review and consideration prior to the SAO meetings will facilitate assessment of priorities and provision of more detailed and direct guidance to the Working Groups.

Communication between Working Groups has improved. Some Working Groups are beginning to include cooperation with other Working Groups as a standing item on their meeting agendas and are attending each others general and expert meetings. A number of joint projects and other collaborative efforts between Working Groups are progressing (e.g. AMAP and CAFF Joint Monitoring Effort; AMAP, SDWG and ACAP human health initiative: SDWG and PAME Best Practices in Oceans Management project; EPPR, AMAP and CAFF discussion on an interactive mapping project). However, it should be noted that travel to and participation in these efforts also puts additional time and financial demands on Working Group Chairs, secretariats and experts.

A more streamlined organization of Working Groups would have the benefit of decreased funding pressures for maintenance of secretariats and achieve other funding synergies. Reorganization could improve communication and the sharing of lessons learned from project activities between Working Groups. Fewer Working Groups would make it more practical for Working Group Chairs and other experts to attend each others meetings and facilitate participation of Permanent Participants. An assessment of the future needs and goals of the Arctic Council would also help to organize Working Group activities to focus on priorities and address overlaps and gaps between mandates.

Integrating the sustainable development program of action into all of the work of the Council is one area that would particularly benefit from restructuring. A more streamlined set of Working Groups would facilitate the important cross-fertilization of the sustainable development agenda.

A more equitable distribution and rotation of Working Group chairs and secretariats between countries, and regular refreshment of Working Group membership has also been recommended. SAOs may wish to consider revising the Rules of Procedure to be more explicit about these procedures.

## **Outreach**

The 2006 SAO report to Ministers encouraged the Chairman of the SAOs to “continue, in that capacity, outreach efforts of the Arctic Council aimed at the international community, regional organizations and academic research communities with the aim of increasing awareness of the work of the Arctic Council and exploring possibilities for cooperation.”

Many have stressed the importance of increasing awareness of Arctic issues and the work of the Arctic Council both within the Arctic and internationally. The work of the Arctic Council would benefit from strengthened coordination with other institutions and bodies active in the Arctic, and enhanced involvement of observers in the work of the Arctic Council.

The Arctic Council Secretariat established in Tromso is making an important contribution to advance outreach and information sharing activities of the Arctic Council. The Arctic Council Secretariat office in Tromso has already attracted many guests interested to know more about the work of the Arctic Council. A readily accessible document and publication library is being put in place to improve preservation of the “institutional memory” of the Arctic Council and to support information sharing. There are already many visitors to the new, dynamic Arctic Council website under development and this is also providing valuable opportunities for follow-up outreach activities by the Arctic Council Secretariat.

The Arctic Council Secretariat is assisting Working Groups to prepare brochures highlighting their activities and is developing a conference booth so that the Arctic Council is prepared to profile its work as appropriate outreach opportunities arise. In addition, other communication products such as Arctic Council fact sheets and an Arctic Council bulletin are being considered. The Arctic Council Secretariat is monitoring opportunities for the SAO Chair to continue to extend outreach efforts.

Working Groups have a key role to play to increase awareness of the work of the Arctic Council and to engage relevant expert and stakeholder bodies in their work. Adequate emphasis on communication strategies and activities is needed.

The increasing interest of non-Arctic States and intergovernmental and non-governmental organizations to participate in the work of the Arctic Council suggests that there may be a need to restrict the number of Observers in the future. SAOs may now wish to consider possible future approaches to granting Observer status to ensure the Arctic Council benefits from active participation of Observers without compromising the efficiency of the Arctic Council process. For example, granting Observer status to Working Groups of particular interest (rather than the Arctic Council as a whole) may permit admittance of a larger body of observers and the benefit of their more direct engagement in the project work.

## **SUMMARY AND RECOMMENDATIONS**

The consultations and review so far have identified that the current structure of the Arctic Council has considerable flexibility to accommodate new priorities and demands. However, particularly in the absence of considerable additional funding and/or streamlining of Working Group activities, an assessment of the future needs (5-10-15 years) of the Arctic Council and priority actions to support this may be warranted. Such an assessment would set the context within which to give appropriate consideration to a range of additional improvements being suggested.

To further implementation of the SAOs mandate to continue to examine the organization of the Arctic Council and work to improve its effectiveness and efficiency, the Norwegian chairmanship proposes to arrange a special session for SAOs and PP representatives to exchange views on long-term goals and priorities for the future work of the Arctic Council. Such a discussion would provide an opportunity for a “brainstorming” of key challenges and priorities for the future work of the Arctic Council, including the Arctic Council’s role in the regional and international context; opportunities for outreach and collaboration; funding, commitment and support; the organization of Working Groups and practical approaches to better address the cross-cutting mandates; and advancing integration of sustainable development into all Working Groups.

In addition to sharing views on long-term goals and priorities for the work of the Arctic Council, SAOs may wish to consider other recommendations raised in the paper, including those highlighted below.

#### *Funding/Resources*

SAOs may wish to, as per above, consider stronger efforts to establish long-term goals against which to assess funding priorities.

Stronger commitments are required to ensure reliable and sufficient funding for execution of mandated Working Group projects and activities, and support for Working Group secretariats and the participation of Permanent Participants.

SAOs may wish to invite Working Groups to propose concrete ways and means to explore additional partnerships and funding opportunities.

SAOs may wish to encourage Working Groups to do more to rationalize work and the scheduling of meetings as priorities dictate and to do more work by email when in a position to do so.

SAOs may wish to invite Working Group secretariats to articulate their needs related ensuring reliable and sufficient funding and present proposed solutions for SAO consideration.

It is recommended that SAOs consider revising the Rules of Procedure to include that the financial plans for Arctic Council projects include appropriate provisions for financial support for Permanent Participants.

It is recommended that projects which include a focus on local leadership and capacity building be given greater priority, and that the SDWG work with all Working Groups to promote integration of a capacity building focus into the activities of the Arctic Council.

#### *Priorities/Focus*

SAOS may wish to consider an assessment of the future needs of the Arctic Council and associated priorities in order to assess overlap and gaps between mandates and to best target the work of the Working Groups.

Advancing development of the SDAP provides one means of assessing overall progress and gaps to advance the work of the Arctic Council on the three pillars of sustainable development.

The SDWG should be encouraged to take steps to accelerate integration of the sustainable development program of action into all of the work of the Arctic Council.

Current activities should prepare the Arctic Council to further its sustainable development mandate and to produce, at a future date, a revised and more comprehensive strategic document on sustainable development that would transform the strengthened knowledge base provided by the Working Group activities into practical guidelines for development activities in the Arctic.

To further enhance discussion on priority areas, consideration might be given to focus each SAO meeting on one or a small number of key themes.

#### *Working Group Coordination and Communication*

SAOs may wish to consider the potential role for the SDWG to serve as the central meeting place for discussion of coordination between Working Groups.

SAOs may wish to initiate a review of Arctic Council Rules of Procedure and Working Group operating guidelines with an aim to create consistency between the two.

SAOs may wish to encourage Working Groups to make good use of e-communication to share information with the Arctic Council and other Working Groups.

SAOs may wish to consider if a more equitable distribution and rotation of Working Group chairs and secretariats between countries, and regular refreshment of Working Group membership should be recommend. SAOs may wish to consider if revising the Rules of Procedure to be more explicit about these procedures.

#### *Outreach*

SAOs may wish to encourage Working Groups to place stronger focus on the communication aspect of projects and recommend that a well developed communication and information dissemination strategy, with an emphasis on outreach to northerners/Arctic residents, should be an integral part of every Working Group project proposal.

The establishment of the Arctic Council Secretariat has made important contribution to improving the effectiveness and efficiency and outreach of the Arctic Council. The

Arctic Council Secretariat should continue facilitate information sharing and to explore outreach activities.

SAOs may wish to consider alternative approaches to engaging Observers in the work of the Arctic Council and consider any revision of the Rules of Procedure needed to support this.