

**ARCTIC COUNCIL
MEETING OF SENIOR ARCTIC OFFICIALS
Yakutsk, Russia
April 6-7, 2005**

MINUTES

1. OPENING OF THE MEETING

The Chairman of Senior Arctic Officials (SAO), Ambassador Vitaly Churkin, welcomed participants to the first SAO meeting under the Russian chairmanship in Yakutsk. Two new SAOs were introduced – Mikaella Engell for Denmark and Karsten Klepsovik for Norway.

The floor was given to the President of Republic Sakha (Yakutia) Vyacheslav Shtyrov.

President Shtyrov gave a welcoming speech and presented for consideration of the Arctic Council two Yakutian initiatives: “Comprehensive monitoring and research of global environment changes in the Northern areas” and “New technologies for the improvement of living standards in the North”.

2. ADOPTION OF THE AGENDA

The meeting adopted the draft agenda circulated and amended beforehand.

3. APPROVAL OF THE MINUTES FROM THE LAST SAO MEETING

The draft minutes from the SAO meeting in Reykjavik, Iceland, on November 22-23, 2004 were adopted.

4. UPDATE ON THE ARCTIC COUNCIL WORKING GROUP ACTIVITIES

4.1. ACAP

The presentation was made by the ACAP chairman Bob Dyer, who introduced the ACAP progress report. The primary objectives of ACAP for 2005-2006 were listed, among them to initiate work on the recently-approved project to reduce and eliminate Brominated Flame Retardants, to strengthen cooperation with BEAC/WGE and Nordic Council/EWG with initial focus on Pesticides, Dioxins/Furans, and Mercury identified in the Barents Region “Hot Spots” Report prepared by NEFCO and AMAP, to get Observer Countries participate in the work of ACAP.

Mr. Dyer outlined the status of 6 active ACAP projects: Reduction of PCB releases in Russia (Russia, AMAP Secretariat), Reduction of dioxin and furan releases in Russia (Sweden), New fact sheets on PCBs, obsolete pesticide stockpiles, and brominated flame retardants (joint AMAP/ACAP project, under development), Management of stocks of obsolete pesticides in Russia (Finland), Reduction of atmospheric mercury emissions from the Arctic states (Denmark), Reduction/elimination of sources and releases of brominated flame retardants (Norway). He also reported that the project on Fact sheets on POPs, heavy metals and radioactivity and on Cleaner production at Norilsk Mining Company (Russia) are completed, but the work on cleaner production in Russia will be continued, being incorporated in the existing projects.

New projects were also presented to be introduced by Permanent Participants. As to PCB's, the GCI project focuses on abandoned PCB sources in ten local villages. A similar project has been presented by RAIPON for two communities in the Nenets Autonomous Republic and two communities in Chukotka. As to Dioxins /Furans, the GCI Project will focus on community training awareness programs to reduce dioxin/furans emissions from open burning (barrel burning). As to Obsolete Pesticides, the RAIPON Project will address the problem of Obsolete and Prohibited Pesticides in the Nenets and Chukotka communities to collect, identify, remove, repackage, and safely store these pesticides. The ACAP Steering Committee has approved these proposals in principle and they will be integrated into the existing Project Working Groups.

In general, Robert Dyer expressed satisfaction at the contribution, both financial and organizational, by all the Arctic countries which lead the projects. At the same time, speaking about projects, aimed at Russia, he mentioned, supported afterwards by SAOs, the urgent need for developing legislation that stimulates phase out and destruction of PCBs. In that connection he asked Russian representatives for assistance in coordination of this work, especially with Duma and corresponding Ministries.

Robert Dyer also expressed concern that Russian regional and local governments do not share the imperatives of the Stockholm Convention due to the long term completion dates: 2025 – 2028.

The SAOs and Permanent Participants (PPs) expressed appreciation of the work done by ACAP, the level of partnership between hosting countries for the projects, Permanent Participants and ACAP, and noted that community approach in promoting environmental projects in communities is one of the best ways to get more efficiency.

At the same time Sweden mentioned the need for ratification of Stockholm convention by Russia – other countries have long-term policies and they should be sure about Russian priorities.

Denmark noted that pollution in all Arctic countries has long-distance characteristics, and that is why ACAP could think of broadening the scope in its projects outside the Circumpolar regional approach.

Russia confirmed that a lot of attention is paid to the projects and their satisfactory results. A new possible project on Zemlja Frantsa Iosifa is discussed

with ACAP and AMAP. As to ratification of the Stockholm convention, its preparation is underway, Russia will ratify it when everything is in place, like it happened to the ratification of the Kyoto Protocol.

4.2. AMAP

AMAP Progress Report was presented by the AMAP Chair John Calder. Speaking about Assessment of Potential Impacts of Oil and Gas Activities in the Arctic, led by USA and Norway, he referred to a fruitful authors meeting in February 16-18 (Helsinki) and March 15-16 (Anchorage) 2005, mentioned major adjustments and additions to chapters. Mr. Calder also called on for additional indigenous and Russian participation. The Assessment is to be completed by the AC Ministerial meeting 2006. Next authors meeting is planned to take place late June 2005 in Washington, there is also planned Oil and Gas symposium in Saint-Petersburg (September 13-15, 2005) in association with Offshore Oil and Gas Conference. Work is also proceeding on Acidification Assessment to be delivered to the AC Ministerial meeting 2006. Next authors meeting is going to take place autumn 2005 either in Finland or Norway. Release of both Assessments for national review – fall 2005.

Follow-up work on ACIA overview report is being carried out. It is delivered to those who ordered it and translated into other languages (Russian and Dutch versions are complete). Chapters 1-4 of ACIA Science Report were distributed (available on ACIA web-site www.acia.uaf.edu). Release of ACIA Science Report is planned for summer 2005.

Mr. Calder also mentioned the Mercury Workshop (December 2004, Galtinburg) with participation of Norway, Canada, USA and Denmark. The major conclusion is that mercury chemistry is more complex than thought before and requires higher attention from the countries exposed to its pollution.

AMAP Working group other activities were described: board meetings on the above mentioned Assessments, joint sessions with other Working Groups. The Study of Persistent Toxic Substances is completed, and AMAP with RAIPON is going to hold workshops in Russian regions, where the study has taken place to convey the results of the study to local people.

Among future activities there are ACIA follow-up work, Work Group meetings in Saint-Petersburg, following the Symposium in September 2005, further consultations with IPY Program Office, participation in COMAAR meeting (May, 18-21, 2005), contribution to Stockholm Convention Conference of Participants, sessions of UNEC and World Water Forum, where higher representation of the Arctic Council is to be considered.

SAOs (Finland, USA, Norway, Canada and Russia) and PPs (Saami Council and Raipon), and World Wildlife Fund expressed their satisfaction at the work done by the AMAP Working Group and assured of their further support to its activities. Special concern was expressed at the Lena and other Siberian rivers project, rejected by GEF. It was agreed that extra support to the project is needed.

4.3. CAFF

The presentation was made by CAFF Working Group Chair Esko Jaakkola. He briefed the meeting about the current CAFF activities, first of all about CAFF Management Board Meeting (Helsinki, 1-3 February 2005). The topics included IPY initiatives submitted for CAFF endorsement. The CAFF Management Board fully endorsed cooperation on the COMAAR IPY projects; an IPY project with the University of Guelph (Canada) on vulnerability assessment and adaptive capacity of Arctic Communities; among a few others - one on sea birds, two on Arctic vegetation and one on Alaska National Wildlife Refuges in cooperation with US Fish and Wildlife Service. CAFF encourages the PPs to submit IPY proposals and received an IPY expression of intent from AIA, which was presented in Paris.

Mr. Jaakkola dwelled upon difficult financial situation of CAFF due to the drop of US dollar against Icelandic Kronur and asked for some solution to get higher country contributions.

As a general comment for the CAFF presentation Iceland pointed out that due to the fall of the US Dollar rate the CAFF budget has lost 21 % of the contributions since 2001, Sweden proposed to have the whole CAFF budget in Icelandic Kroner and to get the contributions in the same currency.

Cooperation with other Working Groups was described, in particular, input into AMAP work on Oil and Gas assessment, work on ACIA Follow-up document. The CAFF will be attending the COMAAR meeting in Abisko in May. CAFF ES participated in IPY Open Forum in Paris (10-11 March), had a meeting with UNESCO World Heritage Center (WHC), which could come to the next SAO meeting to present information on world heritage sites and see if Arctic Council is interested in launching an IPY initiative to designate a World Heritage Site in the Arctic in recognition of the IPY and the Russian Chairmanship in AC. Speaking about funding of the Sacred Sites workshop, it was learned from the representative of WHC that Russia as a state party is to put a formal request. Currently, the estimated budget for this workshop is about 100 000 USD, which is so far difficult to raise.

Mr. Jaakkola spoke about CAFF participation in ECORA project as a member of the Steering Committee, the next meeting is scheduled for 14-15 April. Significant field efforts are planned for 2005.

As to Circumpolar Biodiversity Monitoring Program, there will be a workshop in Ottawa (27-28 April) to design an action plan, CAFF ES is actively looking for funding sources for this program.

Raipon expressed special appreciation of the "Sacred Sites" project, a corresponding meeting is planned for the near future in Salekhard, and said that special attention is paid to ECORA project.

4.3.1. CAFF-WEBSITE MODIFICATION.

A project to upgrade the CAFF website in order to make it more dynamic and usable was presented by the director of Teikna-Lofti. The idea is to develop it into an interactive mapping project and further into an Arctic portal, with, for example,

four sectors, like Arctic Council, Professional sector, Public Sector and Indigenous Peoples' sector. It is supposed to reduce costs of the Working Groups on information work and at the same time to improve their data cooperation.

SAOs expressed their appreciation of the information, but pointed out that it must be introduced in due course as a separate project initiative and the corresponding proposal is to be presented to the next SAO meeting.

4.4. EPPR

The presentation was made by the EPPR Chair Igor Veselov, who reported on the progress made within this Working Group. The nearest WG meeting is to be held April, 18-20 in Copenhagen.

Mr. Veselov thanked Sweden for maintaining the EPPR website since the beginning of 2005.

He reported on the completion of the Shoreline Cleanup Assessment Technology (SCAT) manual project, led by Canada and the US. A number of Source Control Management projects (Phase I and II) have been also completed under the leadership of the US and the Russian Federation. A corresponding exercise at "Atomflot" is being prepared to be conducted summer 2005.

EPPR's work on the oil and gas issues will continue through info-sharing and follow-up on the recommendations from two recent workshops in Anchorage and Trondheim on oil-spill response in ice-covered waters.

Under the Norway lead there will be conducted a pilot study with GRID Arendal to develop an interactive web-based map series. This project, in the opinion of Mr. Veselov, correlates perfectly with an Arctic portal initiative.

EPPR Chair presented Russian proposals for an intergovernmental agreement on "Arctic rescue". The draft will be presented during the WG meeting in Copenhagen.

The International Atomic Energy Agency is promoting the development of international response capabilities to address nuclear events. Led by the US, EPPR member countries have been invited to help shape the Arctic component of this project. The Phase III Source Control management pilot project on risk assessment is being undertaken in the Murmansk Region led by the US and the Russian Federation. The draft report "Refined Risk Assessment Methodology" may be revised based upon the lessons learned.

Mr. Veselov briefed on the plans of cooperation with other AC Working groups, in particular, concerning Oil and Gas Assessment (AMAP), Oil transfer Guidelines and AMSP (PAME), SDAP (SDWG) and with Northern Forum which supports EPPR Agenda.

SAOs expressed satisfaction at the work done by EPPR.

Northern Forum spoke about its contribution to the EPPR work on flood management issues.

4.5. PAME

PAME presentation was made by the Working Group Chair Frank Sonne who spoke about the WG meeting in February 22-23 in Copenhagen and about the progress in the WG activities.

He defined the scope for the Arctic Marine Shipping Assessment (AMSA) which includes follow-on to ACIA and AMSP, snapshot of current Arctic marine shipping, future environmental and economic projections, assessment of environmental and social impacts and recommendations for the World Community. Interim report or Phase 1 report is to be delivered Autumn 2006, final report - to the AC Ministerial 2008. PAME is planning to arrange a stakeholder international conference or workshop in 2006 and conduct "town hall meetings" in Northern communities. The main tasks for the preparation of the Assessment is to name a Steering Group of 10-15 experts, to identify key authors, to develop early communications strategy, to get contacts with Member States requesting Arctic marine traffic information.

As to the Ecosystem approaches, Frank Sonne referred to the Reykjavik Declaration, the AMSP and PAME Work Plan 2004-2006. A background on the concept of an ecosystem approach by EU, EEA, Norway, Denmark and USA (Large Marine Ecosystem approach - LME) were presented and discussed at the last PAME meeting. PAME will establish a steering committee of 10-12 reps, convene a PAME sponsored meeting of experts (late spring/early summer) to explore LME within the Arctic and other pertinent assessment strategies for assessing and improving ecosystem conditions.

The WG has also initiated preparations of the assessment of existing measures for port reception facilities for ship-generated waste and cargo residues with Norway leading.

As to Regional Programme of Action for the protection of the Arctic Marine Environment from land-based activities, Canada as the lead country has proposed a way forward with updating the RPA over the next 2 years (not a new RPA, but a separate report).

As to Arctic Marine Strategic Plan, Canada and Iceland are to distribute the 1st draft Communication plan prior to next PAME meeting.

Speaking about GEF/Russian National Action Plan-Arctic (NPA-Arctic), as well as related events in the Russian Federation, an update in writing was provided to PAME by the Ministry of Economic Development and Trade of the Russian Federation and at the PAME February meeting by a representative of ACOPS. The project document has been revised and signed by the Russian Ministry of Economic Development and Trade and UNEP on February 1, 2005, and the Ministry is defined as the only executive agency for the Project, whereas ACOPS and NEFCO have now the status of Partner Agencies.

As a concluding remark, Mr. Sonne called on countries to secure the involvement of respective reps, experts and reps for the indigenous peoples into the PAME work and briefed on a difficult WG financial situation, which also needs higher involvement from the countries.

SAOs and PPs expressed their appreciation of the work done by PAME and endorsed its working plan.

Iceland distributed conclusion remarks for the study, prepared under the auspices of Icelandic Foreign Ministry and connected with the opening of Northern-East Sea Route as a contribution to the Shipping Assessment.

Denmark and Canada underlined that Shipping Assessment is high on their priority list. As to Communications to Arctic Marine Strategic Plan, Canada is going to hold a Coastal Zone Conference in 2006 and use this opportunity to feature AMSP for broader audience.

AIA and ICC expressed their support to the PAME activities, AIA will have its expert involved, and appreciated the plan to have “town hall meetings”.

WWF briefed on its work complimentary to PAME, in particular about feasibility study on the existing measures to secure marine safety and about a seminar on shipping trends in the Arctic, they plan to arrange May 9-10 in Oslo.

4.6 – 5. SDWG and MECHANISMS TO IMPLEMENT THE ARCTIC COUNCIL SUSTAINABLE DEVELOPMENT ACTION PLAN (SDAP)

The presentation was made by the SDWG Chair Boris Morgunov, who reported on the SDWG meeting (April 3-4, Moscow). He pointed out that representatives of all the AC member states, PPs and Observers were present at the meeting and Chairs of AMAP, PAME, EPPR and ACAP actively participated. The progress on 15 projects is to be reported during next SAO meeting. RAIPON and Norway continue to be co-chairs in the WG.

The SDWG meeting discussed which decisions of the Summit on Sustainable Development in Johannesburg are to be applied to the Arctic region, considered the necessity to arrange two seminars – one as a AHDR-follow-up, the other – to elaborate a number of criteria for projects to be taken up by SDWG.

Among the decisions of the WG meeting was to cluster health projects, to recommend to SAOs to endorse the Project on Sustainable development of indigenous peoples, to consider a project proposal on living conditions of the Arctic inhabitants.

The WG endorsed the report of the ICT Network seminar (February 24-29, Washington D.C.), welcomed the Finnish initiative to arrange the next seminar.

As to SDAP, the WG regards the existing draft version of the mechanisms to implement SDAP as too complicated. It is necessary to prepare a shorter, less detailed version.

SAOs agreed that a simplified version of the document is needed. It is to be reintroduced to SAOs.

SAOs, PPs and Observers (Norway, the USA, RAIPON, SAAMI, CPAR) expressed their appreciation of the Arctic Human Development Report, which could be followed-up in various directions of the Arctic Council activities, for example, in Oil and Gas Assessment. It identifies some aspects of human development, not included in the UN Human Development Index, such as cultural

integrity, contact with Nature and some others. A reference was made to the need to translate it into Russian.

Finland announced the tentative dates for the ICT Network Workshop (September 4-6, Lapland), which aims at identifying the priorities and assessment of the Network. This initiative was appreciated by the SAOs, the USA and other Member states will continue to contribute to this work.

Finland made it clear that it cannot be the lead country for a RAIPON project on sustainable reindeer herding, but will participate in it. It welcomes cooperation with the Northern Forum in this connection.

The USA underlined that Arctic Human Health Initiative is launched, and it will provide a good agenda for the IPY work. International Conference on Circumpolar Health (Novosibirsk, June 2006) is a gateway for IPY planning as well.

The Northern Forum expressed the need for SAOs to work out some guidance for the Observers' participation in promotion of projects and participation in the work of the WGs.

The Chair promised to look into this question.

UNEP expressed its appreciation of the various reports, specially ACIA, prepared by the Arctic Council subsidiary bodies, - UNEP is dependant on them when working on global climate issues. It is, however, necessary, that the Council pays more attention to all the international environmental conventions, administered by UNEP. It was promised that the Lena-basin project would be reintroduced and supported by UNEP in Global Environmental Facility, which is responsible for decision-making and money-allocation. UNEP presented the Russian draft proposal for the Resolution of the UN-HABITAT concerning the sustainable development of the Arctic cities and indicated that HABITAT would be interested in cooperation with the Arctic Council in that area.

Referring to CPAR's input the Chairman of SAOs pointed out the high level of interaction between the Arctic Council and the Arctic parliamentarians. Russian chairmanship pays special attention to that component of the Council's work. He also appreciated their plan to hold the standing Committee meeting on the 13th of June - back-to-back with IX Petersburg International Economic Forum, which is supposed to cover Arctic cooperation issues.

6. FURTHER ORGANIZING THE WORK OF THE ARCTIC COUNCIL AND ITS SUBSIDIARY BODIES BASED ON THE FINDINGS OF THE ACIA

After discussions of the text, distributed prior to the meeting by AMAP and IASC, and taking into considerations the interventions made by SAOs, PPs and Observers, there was adopted the following "Yakutsk resolution" on ACIA-follow-up.

"A 'focal point' is established to develop the plans for ACIA follow-up activities under the Arctic Council. This 'focal point' is comprised of the Chairs (or their designated representatives) of the Arctic Council Working Groups. The Senior Arctic Officials are represented in the 'focal point' by the Chairman of

SAOs. The Permanent Participants are invited to nominate one representative to the 'focal point' to represent them all.

The 'focal point' will coordinate the ACIA follow-up activities within the WGs and prepare proposals for the Arctic Council in relation to all ACIA follow-up issues mentioned in the Reykjavik Declaration and the Report of Senior Arctic Officials to Ministers at the Fourth Arctic Council Ministerial Meeting. The 'focal point' will report the progress made to the upcoming SAO meetings, leading to the 2006 Ministerial Meeting.

The 'focal point' will cooperate closely with IASC and other relevant actors to ensure that proposals for ACIA follow-up by the Arctic Council Working Groups are coordinated and harmonized with activities outside of the Arctic Council."

Canada reminded also that Canada's official proposal to host the 11th Conference of the Parties to the UN Climate Change Convention was accepted. The Conference is going to take place in Montreal December 2005 and will be accompanied by the Montreal Conference on Climate Change, so there will be another major occasion to put the Arctic Climate issues into the focus of the world community.

IASC confirmed strong willingness to cooperate further with the Arctic Council as ACIA follow-up.

Norway spoke about its national ACIA-follow-up, which includes the establishment of a permanent national ACIA secretariat in Norwegian Polar Institute in Tromsø and launch of a program for dynamic climate change forecast which is designed to be easily expanded into cooperation with other national offices and institutions.

CPAR pointed out the importance of the ACIA findings for the scientific cooperation in the Arctic, the follow-up would be also a substantial contribution to IPY. In CPAR's opinion, the ACIA was a significant model of high standards for interaction, set by the Arctic Council and valuable for other international organizations.

7. UPDATE OF THE UNIVERSITY OF THE ARCTIC (UArctic)

The presentation was made by Director Lars Kullerud, who introduced the report on the University's activities in 2004 with a focus on Russia.

2004 was the first year when UArctic was in full implementation. The first in-house UArctic developed a curriculum, the Circumpolar Studies Program (BCS) was finished and the piloting completed, 2004 marked the commencement of regular online offerings of the BCS curriculum. The North-2-North student mobility program concluded its pilot phase and entered into full implementation with participation of the seven of the eight Arctic countries.

After the first Circumpolar Education and Science Ministerial in Reykjavik in June 2004 the circumpolar higher education community is expecting that the Russian Chairmanship will turn it into a regular event.

UArctic conducted a survey among its Russian membership in early 2005 and found out that Russian members are highly motivated to participate in the programs of the UArctic (Circumpolar Studies Program, North-2-North student mobility program, North Trex faculty mobility Program, PhD Networks and Field School). The members listed funding for participating in international activities and some incompatibilities in degree as the main barriers to cooperation, whereas lack of ICT or languages were not seen as an obstacle.

Many of the UArctic strategic foci for 2005 are directly relevant to its Russian membership, including participation in IPY proposals, education programs, initiatives for the indigenous peoples, support for ICT work. It is important for the University, which majors in distance education. The Arctic Learning Environment team participates in the Arctic Council's ICT Network and the UArctic is also willing to support the upcoming ICT Network seminar in Finland in all possible ways.

Representatives of the UArctic are very satisfied with the meetings, they had with Russian Ministry for science and education in early 2005 and hope for further interaction.

In general, Mr. Kullerud stated that UArctic programs make significant impact on the lives of northern students through the member institutions. 15 new memberships applications are being brought for the UArctic Council's approval in the next meeting of the Council in May 2005 in Oulu, Finland.

SAOs and PPs welcomed further cooperation with UArctic.

Finland spoke about its intention to conduct an evaluation of the UArctic. Such process could be carried out by the Finnish Higher Education Evaluation Council with support from other Arctic States and interested institutions. Finland is to circulate the details for the project to be considered by SAOs and PPs as an Agenda item at the next meeting in Khanty-Mansyisk.

8. ARCTIC COUNCIL'S PREPARATION FOR THE IPY

A Russian View of activities of the International Polar Year was presented by Yuri Tsaturov (Roshydromet).

The Russian Federation set up a national committee for preparation of the IPY and has sent more than 50 draft proposals to the International Programme Office. They envisage the use of the existing research infrastructure and establishment of a number of its new components. The research will encompass various directions, from upper atmosphere to the problems of population. It will concentrate on the North Pole (Russian "North Pole" drifting station), seas of the Arctic Ocean (studies onboard R/V "Akademik Fedorov") and Northern areas and implies close cooperation with circumpolar neighbors, such as the USA (Observatory in Tiksi), Norway (Barents observations), Sweden (Laptev Sea studies) and others.

These studies will be aimed directly or indirectly at addressing the problems of people living in the Arctic, in particular, the environment and its changes. In the course of the studies new data on pollutants, state of the indigenous peoples and other information will help to understand better the role of anthropogenic and other

factors influencing the Arctic residents. Participation of the Arctic Council at all stages is important, meaning its political support and substantial contribution by its subsidiary bodies.

A presentation on IPY was also made by John Cynan Ellis-Evans from the IPY International Programme Office, based in British Antarctic Survey. He highlighted the main IPY themes, which are Current status of Polar Regions, Change in the Polar Regions, Global linkages, New Frontiers, Polar Regions as Vantage Points and the Human Dimension.

IPY can bring societal benefits to the polar regions in the form of new knowledge, in enhancements to the systems observing change and in understanding of natural and human processes there.

Since the Arctic Council meeting in Reykjavik Joint Committee and international Programme Office were established with David Carlson from Colorado as IPY. The implementation document "A Framework for IPY 2007-2008" was published and is available at the IPY website.

All in all 900 proposals came in and they are still coming, but they were reduced to 50 topics, which "map" back to the 6 themes, mentioned above.

Potential lead projects are approached. The Joint Committee is actively cooperating with IPY National Committees and full proposals are requested till June 30, 2005. The Joint Committee will identify sets of "core" IPY projects in August 2005. Possibly, a second call will take place late in August.

As to cooperation with the Arctic Council, in March 2005 there was the first meeting of the Joint Committee and first meeting of the Open Consultative Forum, where CAFF, AMAP, University of the Arctic, IPS, IASSA, IASC and ICARP II were represented. Interaction between the AC and IPY Joint Committee is valuable.

IPY would welcome involvement from the AC, including Participation or leadership of AC WGs in core IPY projects.

There will be nominations for representation on the 3 major sub-committees. Proposals on Arctic Human Health (AHHI) and Living Conditions (COMAAR) are already submitted by the Arctic Council. More proposals are welcome.

The SAOs and PPs appreciated the information on IPY, presented by the speakers. The Chair noted that he had sent a letter to the Joint Committee with an official request for participation of the Arctic Council in its work and is waiting for reply.

IASC informed that IPY, ICARP II, ACIA and IASC in order to avoid gaps and overlaps agreed to formally exchange all the documents of the planning character, to establish a coordination mechanism (periodical meetings) and to generate reports on their interaction, sending them to funding agencies and interested parties.

Iceland spoke about the activities of their National IPY Committee which also submitted national proposals to the IPY Joint Committee.

International Arctic Social Sciences Association (IASSA) made a statement about the cooperation with the IPY Joint Committee, appreciated the human

development as the 6th theme in the IPY list of major themes and expressed the hope that this would raise the public awareness of the sustainable development in Polar regions. It was announced that the 6th International Congress of Arctic Social Sciences will be held in Nuuk during the International Polar Year which will make a contribution to the social aspect of the IPY activities.

Denmark spoke about an IPY document, developed by Denmark and Greenland, which focuses on man, nature and arctic societies and which is the main direction for Danish IPY work. The meeting was also advised that the Nordic Research Conference will take place in May 2005 in Greenland, funded by the Nordic Council in order to develop social science and management proposals for the IPY.

Sweden, referring to the AC's obligation to give proposals for the IPY and in the light of the Swedish IPY initiative on monitoring of living conditions, said that Sweden is going to host the first organizing session on monitoring and observations (Abisko, May 18-21, 2005) as it was announced by the Swedish Foreign Minister at the Ministerial in Reykjavik (November 2004). The aim is to gather WG's, science community and indigenous peoples to discuss the problems of arctic monitoring and observations, especially on the long-term basis.

The USA confirmed that the USA IPY initiative on human health is submitted to the IPY Joint Committee, the experts from SDWG and AMAP are now meeting in Copenhagen to review the proposal in order to submit it by June 30, and this would also be an item in the Agenda of the SDWG meeting in October.

RAIPON supported the human dimension of the IPY work and made a proposal, that the Arctic Council can mark its ten-years anniversary by making up a general list of all the AC completed projects and their achievements.

Finland referred to the observatory project in Tiksi, mentioned by Mr. Tsaturov and promised to consider its support for the project. AMAP also proposed that such an observatory in Tiksi with the similar one in Barrow (USA) and in Urica (Canada) (the last one is a project with AMAP participation) could be a good cooperative item for ACIA follow-up.

Norway reported that it submitted about 90 IPY proposals and confirmed its willingness to cooperate with Russia in the projects mentioned by Mr. Tsaturov. Canada drew everyone's attention to the human dimension of the IPY and pointed out that indigenous peoples should take part in the IPY planning in order to ensure that their priorities are taken into account.

WG Chairs confirmed their active participation in the IPY work.

As a result of the IPY discussion *SAOs noted with appreciation the substantial work being conducted in the Arctic Council Member States and the Working groups to prepare for the IPY.*

SAOs acknowledge progress in pursuing the monitoring and human health IPY proposals.

SAOs are looking forward to the development and implementation of these and other IPY proposals, which have been or will be communicated by the Arctic Council Member States and the Working Groups to the IPY Joint Committee.

9. PREPARATION OF A SET OF GUIDELINES FOR A PILOT PHASE OF THE ARCTIC COUNCIL PROJECT SUPPORT INSTRUMENT (PSI)

The presentation was made by Harro Pitkanen, Managing Director in the Nordic Environment Finance Corporation (NEFCO). He presented the key points of the Draft Guidelines for an Arctic Council Project Support Instrument, prepared by NEFCO together with ACAP on the basis of Reykjavik Ministerial and SAO recommendations and an expert group work and distributed prior to the meeting.

Special attention was paid to the purpose and orientation of the PSI, as the Instrument will serve specifically for Arctic Council projects, which are action/investment oriented (not for general Arctic Council activities). As to the administrative part, it should be voluntary and open for a wide range of contributors and appointment of a Fund Manager should not necessarily be a part of the Guidelines, but subject to SAO decision. To some extent revolving financing mechanism may be utilized, financing may be requested by Project Steering groups, project owners and other relevant stakeholders, like local authorities, etc. The expert proposal for the pilot phase was 3 years, the proposed estimate of the volume - 3 mln euro.

Denmark, the United Kingdom, AIA and Saami questioned the process of participation in decision making. Denmark drew special attention to its contribution to bilateral projects which run parallel to the proposed PSI (as recognized in the Reykjavik Declaration's reference to the PSI as non-exclusive mechanism, which is also reflected in the project flow sheet attached to the proposed PSI Guidelines).

Mr. Pitkanen reiterated that the PSI will be used for the projects approved by the Arctic Council and thus does not go contrary to its principles and priorities, whereas the contributors to the PSI will have the right to make decisions on the practical use of the funds raised. The decisions will be reached by consensus of a Committee members within the PSI. (There will be a need to determine a threshold of pledging money to become a member of such a committee).

The guidelines were approved by SAOs and PPs, who thanked NEFCO for the work done, a supportive statement to it was also delivered by CPAR. Denmark and Canada are not ready for contributions at this stage, Finland, Norway (200 thousand USD), Iceland (1 mln Icelandic Kroner), Sweden are ready to contribute and take it as a starting point that Russia is to be a contributor and a member of the PSI Committee as well, because most of the projects are to be aimed at the Russian territory. Russia supports the Guidelines for PSI, but is not ready to give an answer concerning its pledging.

Under the Finnish proposal, through a silent procedure (the Chair is supposed to hear from anyone opposing this decision during 4 weeks) NEFCO was approved as the Fund Manager of the PSI. The meeting agreed that a pilot phase would continue for 3 years.

SDWG expressed concern about the environmental priorities of the PSI with no references to sustainable development issues, but it was pointed out by Finland that this is a follow-up of the Ministerial directive. The Guidelines remain in force

until SAOs decide to amend them - the most appropriate occasion for that appears to be the end of the pilot phase. Finland and NEFCO stressed the need to clarify pledging issue with potential contributors by next SAO meeting.

10. PREPARATION FOR THE PETERSBURG INTERNATIONAL ECONOMIC FORUM

The Chairman of SAOs provided information about the 9th Petersburg International Economic Forum conducted under the auspices of the Council of Federation of the Russian Federal Assembly. A special “Northern Segment” will be held on June 14. This segment will include presentations by the Arctic Council Chair - Russian Foreign Minister Sergei Lavrov and by leaders of other Northern Regional Organizations, such as Barents Euro/Arctic Council and Barents Regional Cooperation, Conference of Parliamentarians of the Arctic Region and the Northern Forum. The “Northern Segment” of the Forum also envisages round tables on the topics of cooperation in the Arctic, devoted to environment, infrastructure, Barents industrial partnership and Russian-Norwegian interaction. This appears to be an important tool to highlight the significance of Arctic cooperation both on a national and international scale.

CPAR emphasized the importance of the upcoming event, reiterated that CPAR’s conference is arranged back-to-back with the Forum and told that CPAR’s president H-M. Solberg is looking forward to taking part in it.

SAOs expressed general support and the interest of the Arctic Council in the Forum.

11. “CULTURAL DIMENSION” – POSSIBLE MEETING OF THE MINISTERS OF CULTURE

Mr. Evgeny Bundin from the Ministry of Culture of the Russian Federation spoke about the intention of his Minister to convene a meeting of Ministers of Culture of the Arctic Council member states to open a new area of cooperation among them in Khanty-Mansyisk fall 2005.

SAOs expressed their support for this idea. Iceland stated that a meeting of the Ministers of Culture should not be convened until the process of cooperation among the Arctic Ministers of Education and Science, initiated last year, had been developed further.

ICC proposed to consider cultural diversity of the meeting and inviting indigenous peoples to the event. The same wish was expressed by the Northern Forum regarding Observers of the Arctic Council.

12. PRESENTATION OF THE NORTHERN ENCYCLOPEDIA

The presentation was made by Mr. Boris Bodrov, vice editor-in-chief of the Russian Magazine “Northern Expanses”, which together with a publishing company “European editions” has published the Northern Encyclopedia both in Russian and English languages. The book comprises over 4,5 thousand articles on the topics relevant to the activities of the Arctic Council. Besides the general reference material, it addresses environmental and economic problems of the North in its history and nowadays.

13. MISCELLANEOUS

In addition to the Agenda items the meeting heard the presentation of Ms. Maria Pogodajeva, Vice-President of the Association of the World Reindeer Herders (AWRH). She spoke about the 3rd World Congress of the Association, which took place in March 2005 in Yakutsk and gathered scientific, reindeer herding and administrative authorities’ representatives from 11 countries. Next congress will be held in 4 years in Norway. Ms. Pogodajeva presented the Yakutsk Declaration of the Congress, which, in particular, supports the Arctic Council’s work on sustainable development and attention to the problems of indigenous peoples.

The Chairman announced that the next SAO meeting is planned for October 5-6 in Khanty-Mansyisk (later the dates were moved to October 12-13, 2005).

The Chairman thanked everyone for participation in the meeting, especially the Yakutian hosts for all their assistance and the cultural program. The meeting was declared adjourned.