

# **Improving the Efficiency and Effectiveness of the Arctic Council: A Discussion Paper**

**Arctic Athabaskan Council, March 2007**

## Introduction

Having recently marked its tenth anniversary, it is appropriate to ask how and how best the Arctic Council should organize itself structurally and procedurally for the years ahead. This is not a new question. Only four years after the Council was established, the Barrow Declaration noted:

...the Arctic Council has evolved and taken over the structures established under AEPS, some overlap of functions has occurred among the new and existing institutional structures of the Council, and request that the SAOs with the assistance from the chairs of the Arctic Council subsidiary bodies, consider and recommend as appropriate ways to improve how work is structured in the Arctic Council and present a report at the next Ministerial Meeting.

The Salekhard Declaration requests Senior Arctic Officials to:

Examine the organization of the Arctic Council with a view to improve its effectiveness and efficiency, and report back to the next Ministerial 2008.

AAC's discussion paper is prompted by this request. Two recommendations in the 2006 SAO report to ministers are, in addition, of particular relevance to the structure, activities, and relationship of the Council to other institutions:

Encourage the Chairman of the SAO's to continue, in that capacity, outreach efforts of the Arctic Council aimed at the international community, regional organizations and academic and research communities with the aim of increasing awareness of the work of the Arctic Council and exploring possibilities for cooperation.

and

Continue to strengthen relations with Arctic Council observers and review applications of countries and others interested in becoming observers to the Arctic Council.

In line with these political commitments and in its role as incoming Chair of the Council, Norway announced its intention to:

initiate a process to examine the Council's organization with a view to improving its effectiveness and efficiency, building on the experience gained during 15 years of Arctic co-operation.

This commitment is similar to that adopted by Finland during its Chairmanship in 2000 to 2002.

### **The Interest of the Arctic Athabaskan Council in the Arctic Council**

The Arctic Athabaskan Council (AAC), one of six "permanent participants" to the Arctic Council, prepared this short discussion paper to achieve three objectives:

1. to encourage Norway to carry through with its intention to set up a process to improve the efficiency and effectiveness of the Council;
2. to signal to Council members the commitment of AAC to participate in the process envisaged by Norway; and
3. to propose a structure and agenda for the process Norway envisages.

When established as a "high level forum" by the eight Arctic states in 1996, the Arctic Council was variously described as innovative, precedent setting, and a potential model for other regions. Global interest in the Arctic is growing. Energy and mineral development, pollution, climate change, transportation and other issues in the Arctic are attracting increased attention internationally, and this process continues. In February 2003 the Governing Council of the United Nations Environment Programme characterized the Arctic as the globe's barometer or early warning of environmental change. The International Polar Year is likely to direct and focus political as well as scientific attention on the circumpolar region.

Decisions made in non-Arctic states and by global institutions have a growing influence on the well-being of Athabaskans who continue to adjust to a rapidly changing world. Adapting to the impacts and effects of climate change is becoming a central task. In this rapidly changing world our objective is for the Arctic Council to effectively address the international dimension of economic, environmental, social, cultural and other issues of

concern to Athabaskans, and to other Indigenous peoples in the circumpolar world.

We view the Council as a good vehicle to articulate Arctic perspectives on issues to the international community. We want the Council to continue to do excellent technical work on an expanding array of issues, to be a forum for serious policy discussion, and to promote Arctic perspectives in international discussions and negotiations that affect our rights and interests. The Council enjoys a significant degree of organizational flexibility and has sponsored technical work of the highest order. But it will have to adapt and improve the way in which it does business if it is to further increase its credibility and influence nationally and internationally.

### **Revisting the Context**

As the activities of the Arctic Council broaden and deepen, particularly through the Sustainable Development Working Group, it is worth reminding ourselves of the original operative and contextual statements in the Ottawa Declaration. The Council was established:

to provide a means for promoting **cooperation, coordination** and **interaction** among Arctic States with the involvement of the Arctic indigenous communities and other Arctic inhabitants on common arctic issues, in particular issues of sustainable development and environmental protection in the Arctic (emphasis added).

Three statements in the preamble to the Declaration establish the overall intent of the Council:

1. Commitment to the well-being of the inhabitants of the Arctic;
2. Commitment to sustainable development; and
3. Commitment to protection of the Arctic environment.

As well as subsuming the working groups of the 1991 Arctic Environmental Protection Strategy, the Declaration provided for permanent participation by Arctic Indigenous peoples including recognition of their traditional knowledge, committed to develop a sustainable development programme, and disseminate information to promote interest in Arctic-related issues. Outreach and dissemination of information was an original objective of the Council as were activities to promote the well-being of Arctic residents.

These goals remain valid and should form the basis of the project to improve the Council's efficiency and effectiveness. Adjusting the structure and operation of the Council would improve its ability to promote cooperation, coordination and interaction among member states, and would increase the Council's ability to interact both with northerners and international agencies. In short, improving efficiency and effectiveness will help the council achieve its goals as outlined in the 1996 Ottawa Declaration.

### **Suggestions for Reform**

Numerous commentators including academics and non-governmental organizations have stressed the need to reform, strengthen, better coordinate, streamline and, generally, improve the way in which the Council does business. For example, in a paper for the Fourth Conference of Arctic Parliamentarians and in preparation for the Finnish chairmanship of the council, Oran Young made four, general recommendations:

1. The Arctic Council should focus on region-wide issues, leaving a wide range of northern concerns to be handled by other, more appropriate bodies;
2. The Arctic Council should concentrate on playing roles with respect to which it has a distinct comparative advantage, leaving other roles to be performed by other bodies;
3. The Arctic Council should strive to devise a well-defined and appropriate division of labour both internally among its own programmatic activities and externally in its relations with other bodies endeavouring to promote co-operation in the circumpolar north; and
4. The Arctic Council should make a concerted effort to avoid being perceived as a top-down enterprise controlled by policymakers and officials located in the national capitals.

Minna Turunen and Paul Kankanpää reported in 2002 that the Arctic Council was poorly known among Arctic residents. They recommended significant attention be devoted to communications including developing a communications strategy, hiring a media relations/information manager, publishing regularly a Bulletin, increasing interaction with northerners and generally disseminating information more effectively. As with the paper by Oran Young, many of these recommendations remain unimplemented.

A comprehensive evaluation of the Arctic Council was conducted by Pekka Haavisto in 2001. Having surveyed numerous circumpolar organizations and interviewed approximately 30 people directly involved in the Council, he concluded:

- 1. Nobody knows exactly what is going on in the Arctic Council.** This was thought to reflect poor communication between working groups, between the SAOs and the working groups, and a lack of institutional memory;
- 2. No institutional memory.** Lessons learned from projects are inadequately shared among the working groups;
- 3. Problems in funding.** Voluntary funding makes projects vulnerable to political interference. A broader and more equitable funding arrangement and a permanent administrative structure go hand in hand;
- 4. Lacking secretariat services.**
- 5. Participation of different ministries.** Need to have all different ministries involved, not just foreign ministries;
- 6. The role of observers is not defined.** Expertise of observers is not fully used;
- 7. Co-operation with other Arctic actors is not structured.** Experience gained by the working groups is not used more generally. Increased co-ordination would benefit from more structured co-operation;
- 8. Bottom-up or top-down process?** Working groups are very independent, co-ordination between working groups is poor, guidance by SAOs is too general, and communication between the working groups and SAOs is unclear. There is duplication of work, overlaps, unnecessary competition between working groups and low cost effectiveness;
- 9. Arctic policies made by working groups.** Working groups make their own policies in the absence of direction from the Chair/SAOs. Need to improve reporting and approval between the working groups and SAOs;
- 10. If there are overlaps there are also probably gaps.** With poor communication between working groups, issues that should be addressed may not be dealt with;
- 11. Ownership of sustainable development.** All working groups not only the SDWG deal with sustainable development;

12. **Sustainable development incoherent collection of projects.** No clear priorities for the SDWG;
13. **All projects don't have circumpolar scope.** There is a wide range of geographical and conceptual scope of projects. The Arctic Council should not become a listing of local initiatives;
14. **Wild market for project initiators.** Project initiators market their proposals to different working groups. There is a need to clarify the role of SAOs in this market;
15. **The working groups are competing for the same financial resources.** Applications by various working groups to the Global Environment Facility is an example;
16. **PAME and ACAP competing in Russia.**
17. **EPPR's role unclear and weak.**

Haavisto made numerous suggestions the most important being to organize the programmes and activities of the Council into four groups, merging some working groups and streamlining and rationalizing the whole:

- A. Brown group AMAP/ACAP**
- B. Blue group: PAME/EPPR**
- C. Green group: CAFF**
- D. Rainbow group: SDWG**

The need for a central Secretariat was favoured to knit together and coordinate this new grouping, although establishing such a body was thought to depend on a new and permanent financial arrangement agreed-to by all member states. In addition to suggestions to improve communication and outreach, particularly to the Arctic Parliamentarians, Haavisto focused on the role of SAOs saying:

SAOs have not given enough guidance, and when working groups are presenting their reports at the SAO meetings there hasn't been enough time, willingness and expertise to thoroughly discuss them.

**...the role of SAOs should be to think how the Arctic Council could become a real mouthpiece for Arctic issues.** This includes also working on how to represent the Arctic area in best possible way in such global negotiations that contain themes of vital importance to the Arctic environment and sustainable development (emphasis added).

In its role as incoming chair, Norway circulated in late summer 2006 a short paper on reform of the Arctic Council. Four key problems were identified:

1. Financing the secretariats for the working groups;
2. Inadequate national resources to conduct mandated tasks;
3. Overlap between and unclear mandates of some working groups; and
4. Inadequate resources to support the involvement of the permanent participants.

In response, the Norwegian paper suggested restructuring the working groups along the following lines:

1. Monitoring and assessment of the Arctic environment and ecosystems group, (AMAP and part of CAFF);
2. Environmental Action Group to implement practical action, (PAME, ACAP, EPPR and part of CAFF);
3. Economy group, (part of SDWG); and
4. Social and Cultural group, (part of SDWG).

This reform proposal stressed that ad. hoc. teams of “experts” could be established in each group, as necessary. Norway suggested that its proposal was “broadly similar” to that developed during the Finnish chairmanship, and recommended that council members look again at what had been proposed in 2001 and 2002.

### **From Here to There: the Need for Vision.**

A number of suggestions have been made to reform the structure of the Arctic Council to increase its efficiency and effectiveness, but little has actually been done. Neither has the council in any co-ordinated fashion followed through on the 1996 declaratory commitment to communicate and disseminate information. The Arctic Bulletin of the WWF remains the best and perhaps the only regularly published commentary on Council matters. The establishment of a central secretariat in Tromso for the duration of the Norwegian, Danish and Swedish chairmanships is an important step forward fully supported by AAC, but this development was not the result of a collective decision by the Council.

To live up to the instructions in the Salekhard Declaration quoted earlier, AAC suggests that a task force composed of members and permanent participants be mandated by the SAOs at their April meeting to discuss and recommend the future direction, structure, procedures, priorities, financing, relationships, and communications of the Arctic Council—all appropriate topics if the council's efficiency and effectiveness are to be improved.

The task force might best be chaired by Norway and draw upon the technical support of the Tromsø-based secretariat. The Indigenous Peoples Secretariat could co-ordinate the involvement of the permanent participants in the task force. The task force should engage state and non-state observers in a serious manner including solicitation of written briefs and, if it deems necessary and/or desirable, sponsor a workshop(s) to explore suggestions and options and promote consensus recommendations to SAOs. AAC stands ready to participate in the task force.

We recommend two principles to guide SAOs as they determine whether to set-up a task force:

1. **See the big picture.** Reform of the Arctic Council seems to have foundered on a narrow appreciation of national interests and a parochial attachment to the Council's institutional architecture, essentially established more than 15 years ago through the AEPS. The place of the Arctic in the international community is changing and changing fast. The Council needs to redesign and reform itself to reflect the magnitude of these changes; and
2. **Allow form to follow function.** It is all very well to rationalize and restructure the working groups, but if this exercise is to increase the Council's effectiveness as well efficiency, the task force should look to the future as well as the past. In short, the task force should look ahead to the issues that the Council will likely have to address and suggest the best institutional means to do so. Focusing on past overlaps and friction between the working groups is only a part, and a relatively small part, of a reform agenda.

From our standpoint and, drawing upon the various Arctic Council evaluations already completed, key agenda items for the task force should include:

1. Structure, demarcation and relationship between the working groups;
2. Ensuring that adaptation activities in the SDWG inform debate and activities in all working groups;
3. SAOs as a forum to discuss policy options;
4. The role and financing of a central secretariat;
5. Designing ministerial meetings;
6. Funding permanent participants and the Indigenous Peoples Secretariat;
7. Outreach and communications to northerners and their governments;
8. Outreach and communications to agencies of the United Nations;
9. Increasing the role and participation of observer states in activities of the council, and opening a dialogue with China, Japan, India and Brazil about their potential involvement in the council;
10. Use the ACIA and AHDR (and other assessments) as the context in which to evaluate the ability of economic development policies in the circumpolar world to deliver benefits to the region's Indigenous peoples from resource development in their homelands.

