

ARCTIC CAUCUS MEETING MINUTES

YELLOWKNIFE, NT

NOVEMBER 18, 2013

Arctic Caucus Opening

Minister Ramsay kicked off the roundtable by introducing the PNWER Delegation of Colin Smith, Representative Deb Boone (Oregon), Representative Bob Herron (Alaska), Matt Morrison (PNWER) and John Higginbotham (Carleton University).

He highlighted the importance of the session and the need to understand the impacts of the changing climate in the North

Minister Ramsay introduced Representative Bob Herron from Alaska who made a few remarks.

Representative Herron mentioned that it was his second time to Yellowknife and emphasized that Yellowknife is a good place to meet for any meetings. He also thanked Mr. Higginbotham for his session on Arctic Marine Transportation that was held on Sunday because of the common themes highlighted between northern jurisdictions.

He spoke about the importance of sub national arctic jurisdictions working together when it comes to informing federal level policy and to move their individual agendas forward. He also said that the State of Alaska has a vision similar to the Canadian jurisdictions in the Arctic.

Representative Herron also stressed the importance of the Arctic Council chairmanship being led by Canada and being followed by the U.S. in 2015. He also spoke to internal budgetary issues in the State of Alaska.

CanNor discussion on the Circumpolar Business Forum

Mitch Bloom, Vice President of the Canadian Northern Economic Development Agency (CanNor) and lead for the Circumpolar Business Forum (CBF) provided an overview of the CBF overview via conference call.

Mitch kicked off the session giving a little background about the CBF. Currently, Russia, Finland, and Iceland Senior Arctic Officials (SAO) are leads for the CBF

Like the Arctic Council (AC) the CBF is consensus based and will help inform the AC leadership.

The first step in developing the CBF was an initial conference call in June 2013 that started the process of forming the organization and structure for the CBF. The group was giving a short time line and laid its objectives out. One of the initial questions for the group was: ***What do we need to do to get this***

moving and get input from businesses and how can the Arctic Council become better informed of issues by businesses?

Mitch mentioned how closely business and the Arctic are tied together. The hope is that by creating the CBF there will be a more formal way to conduct business development.

Because of the short timelines that were given, there was a real sense to move forward quickly on the development of the CBF. He also spoke about the relatively few arctic business forums there were and that most of the ones that are now in existence were created after 2008. There was a chart developed to track all those initiatives around the world moving on arctic issues. 8 of these were identified.

The first meeting of the CBF Planning team was held in Iceland. This session consisted of just officials and no business leaders. The goal of this session was to identify a way of how the Arctic Council could work with businesses.

The second meeting was held in St. Petersburg, Russia. Business leaders were invited and participated in this meeting. The two companies that represented Canada at these meetings were Mr. Tom Paddon of Baffinland Iron Mines Corporation and Ms. Lillian Brewster from ATCO.

At the meeting the key areas of discussions involved what do businesses want from the CBF and AC and what structure and system needs to be developed for clear interaction between policy and business development. All agreed that the AC would be better served if the CBF acted as an advisory body that would provide feedback and insight on behalf of the business community. It was decided that the CBF would be a hub for businesses to discuss Arctic issues and interact with the AC.

Structure

It was decided that the CBF would be an independent advisory body and not structured as an observer group of business leaders or as workgroup. The independent body could share best practices and focus on sustainable economic development

Also the AC would send information to the CBF and get information and research back from the group. The Sustainable Development Working Group would get information and the body will complement the scientific work of the AC with insight from business. As an Independent body it could take a wide scope but still follow the mission of the AC created by and for the AC. So the body's work plan must focus on issues related to the AC. Five areas of focus the CBF will work on include:

- Responsible development
- Infrastructure development
- Tourism
- Aboriginal business
- Small to medium business

The CBF will be comprised of 28 members for a two-year term – two members from each AC member states and two members from each of the permanent participants. It was noted that this group was

small and would not be representative of all the stakeholders in the Arctic. However, aligned with the CBF mission, the CBF would have to interface with the all businesses in the Arctic. For instance Canada would have to engage specific pan-territorial business members since you only have 2 members for the entire country.

What are they going to do?

CBF would be an independent body so it would be up to the CBF to determine how to manage itself. Mitch mentioned that the CBF will have to produce a 2 year report.

How will you fund this?

The current thought is that since the CBF would be an independent body, the CBF should be funded by member businesses. It was also mentioned that funding for the CBF has not be finalized. This detail still needs to be determined.

A draft report will be completed by the end of the year and a major announcement will be made regarding the CBF in January 2014 at the Northern Lights Conference in Ottawa.

Questions from the Roundtable Participants

First Question

Minister Ramsay asked, **“How do we ensure that the CBF would continue to function in the future with the alternating of the Chairmanship?”**

Mitch Bloom replied either through an agreement or MOU between the member jurisdictions would be used to ensure that the CBF will continue through future Chairmanships. Also, the U.S. has already committed to following up with a commitment to the CBF.

Second Question

Rep Bob Herron asked **“How do Alaska businesses and 3P’s that want to participate in the CBF get included in the CBF?”**

Mitch Bloom mentioned that John Farrell USCG and Drew Pearce have been part of this discussion and that Julia Gourley from State Department has been engaged. Mitch said that the planning team looked at the business models for international organizations and they settled on the model that has been used by the Asia Pacific Economic Cooperation (APEC) Business Advisory Council.

Last Question

Vicky Johnston from Environment Canada mentioned that she is part of the Conservation of Arctic Flora and Fauna (CAFF) working group and was wondering “**How the CBF will engage other existing working groups?**”

Mitch Bloom said that the CBF will not engage the WG during their initial development.

Mitch closed his comments with the request for roundtable participants to pay attention to the upcoming Northern lights conference, where an update on the business forum may be given. If the timing doesn't work he said more updates maybe available at the March 2014 Yellowknife meeting.

Niels Gram from Island Tug and Boat spoke about the need for a subcommittee of the CBF so Canadian companies can engage with the CBF appointees. Also, he was interested in if the CBF will create its own working groups.

Kells - organization Icelandic chamber of commerce trying to get the business community organized around topics...and it would be engaged with the CBF membership.

Roundtable Discussion

Merven Gruben stated that everyone needed to know that Yellowknife is not in the arctic and communities in the Beaufort Sea area are. He also highlighted that the region is behind the rest of the world on circumpolar development. He also noted the development and construction of the all-weather road between Tuktoyaktuk and Inuvik.

Mike Bradshaw from the NWT Chamber of Commerce highlighted that Mitch Bloom is creating something out of nothing.

Tom Hoefler from the Mining Chamber of Commerce pointed out the need to create something that will help Canada get ahead in the Arctic. Also there needs to more outreach since business leaders are just learning about this now. Also, how do we sustain the business forum?

Niels Gram also pointed out that two representatives is too few to cover the country's needs and specifically how would marine interest get channeled up to the CBF and then onto the AC. From a marine shipping perspective - business is moving faster than policy. The Nordic Orion is an example of how business is outpacing policy and decisions need to be made now. Also, new regulations might stop shipping or increase the costs.

Kells Boland from Prolog also commented on the fact that two experts might not be able to represent the five areas outlined by Mitch that the CBF will focus on.

Colin Smith mentioned that PNWER could also assist to inform the Arctic Council by channeling information through the CBF. Action items and policies to pass along to the CBF could be generated through the PNWER working group and onto the Arctic Council.

Andrew Bailes stated that there are challenges for cross jurisdictional travel. Do we need all airports to be certified in every area required under federal policy? How do we answer that question...rules from the federal government do not fit in arctic areas. The size of the runways and fence security are two specific topics that have issues with implementation in the Arctic

Bob Herron Question to Drew Pearce about two representatives per country – PNWER should take advantage of the advisory committee.

John Higginbotham mentioned that the Barents Council is an effective model that seems to be working and seems to be more practical and better organized than what is being proposed for the CBF.

Kells Boland – Trans-border coalition looking at some infrastructure proposals that are cross-jurisdictional. The coalition looks at all the proposed corridors and decides then how and what is developed. He stated that there are several competing projects that are not coordinated.

Representative Herron stated that the Arctic Caucus would be contacting Nunavut with the offer of observer status to the Arctic Caucus working group.

Niels Gram - which corridor gets discussed...air, marine, road transport....five areas work on their specific and feed into the CBF.

Minister Ramsay - shared vision and provides input to the PNWER....currently VP and looking forward to being president. There is a possibility that Mitch look at the PNWER model for the CBF. Also New premier of Nunavut has a good connection with NWT work at inviting Nunavut to PNWER

What input should we provide back to Mitch Bloom

- Value of a Beaufort Business Council
- How do we support economic growth?
- Focus on Resource Development, Infrastructure, Oil Spill Response and Emergency Disaster.
- Oil Spill Response coordination with Private Sector
- Need to provide input to the 4 delegates from the U.S. and Canada
- Funnel Information to the CBF from political leadership in the region
- Call for a joint meeting of the 4 delegates from U.S. and Canada to get input from regional leaders
- Request a job description for the Reps to the CBF
- Develop a knowledge map of who in the region is already doing this
- Need for traditional knowledge to be shared and request in the region
- Look towards a long term vision
- Airport Regulations in the Arctic

- Focus on Public Private Partnerships in the Arctic Search and Rescue, Navigation Aids, St. Lawrence Sea model of shared resources between the U.S. and Canada
- Change the view of development to a benefit to the Country and not a liability the construction of a road helps the communities they serve.