

CONFERENCE REPORT

Opening Session

Moderator: Adam STEPIEN, Arctic Centre of the University of Lapland, Finland

- Director General João AGUIAR MACHADO, Directorate General for Maritime Affairs and Fisheries
- H.E. Carsten GRØNBECH-JENSEN, Under-Secretary for Europe and North America, Ministry for Foreign Affairs, Denmark
- H.E. Oda Helen SLETNES, Ambassador to the European Union, Norway
- Åsa LARSSON-BLIND, President of the Sámi Council

The speakers in the opening session emphasized that maintaining an open dialogue in the Arctic is crucial. Dialogue ensures that the Arctic remains a low-tension area. H.E. Oda Helen Sletnes stressed the role of the Arctic Council in promoting regional stability and cooperation.

All speakers discussed climate change as the major challenge for the region. Mr. Aguiar Machado recalled the EU's commitment to climate action together with safeguarding the Arctic environment. The fight against climate change is one of the three priorities of the EU's Arctic policy. Sustainable development and international cooperation complete this picture.

In the current Multiannual Financial Framework, 20% of the EU budget is dedicated to climate action. This percentage is to increase after 2020.

Sustainable development was also high on the agenda. H.E. Grønbech-Jensen underlined that alongside challenges, there are new opportunities, referring in particular to connectivity and blue economy. Ms. Larsson-Blind discussed the work to assess and promote the Sustainable Development Goals (SDGs) in Sámi society, stressing the lack of good indicators to measure progress.

The speakers highlighted that the EU has stepped up its actions in the Arctic. The contribution of the Arctic Stakeholder Forum processes to the further development of EU engagement in the Arctic.

Panel 1 Leveraging Sustainable and Innovative Investment in the Arctic

- Astrid BARTELS, team leader for the COSME financial instruments at the European Commission, DG Grow, unit on SMEs Access to Finance
- José Enrique GARCILAZO, the head of the Regional and Rural Programme at the OECD
- Thomas TIMME, project team leader at European Investment Bank (EIB)
- Mininnuaq KLEIST, Head of the Greenland Representation to the EU
- Janne UUSIVIRTA, Senior Advisor at East & North Finland EU Office
- Erik BERGKVIST, Chair of the Executive Committee, Region Västerbotten and a member of the Västerbotten County Council, Vice-chairman of the Norrland Trust Fund (Norrlandsfonden)
- Tonje NERMARK, Vice-President for Public Affairs and Communications, Mo Industrial Park
- Martin KOCH, Policy Officer in Directorate General for Financial Stability, Financial Services and Capital Markets Union

The discussion on what constitutes sustainable and innovative investment in the Arctic showed that there is no one single definition for and approach to sustainable investment in the Arctic. Arctic regions differ greatly from one another, with remoteness being the biggest challenge for all northern areas. For instance, the role of Arctic small cities as engines of development needs to be acknowledged and further supported. Some panellists expressed concern that the perception of the Arctic as pristine wilderness translates to reputational challenges for implementing major investments.

Arctic regions are rich in human capital, local passion and entrepreneurial skills. The EU can play an essential role in connecting the Arctic with other (European) regions.

Mechanisms for fostering financial development in the Arctic were also discussed, with explicit emphasis on long-term investments. Many companies in the European Arctic strive to go green, but one of the challenges is to properly define and effectively promote green growth and green investment. Mr. Uusivirta informed about the work towards creating an Arctic Investment Platform, while Ms. Nermark called for promoting higher standards through public procurement. The European Commission and the European Investment Bank are already working on a definition of green growth. Similarly, the OECD has also developed criteria for sustainability and green growth. Yet, some participants concluded that these efforts were not sufficient in light of climate and environmental challenges. Moreover, the private sector and public decision-makers need to ensure that local communities tangibly benefit from investments.

Most participants agreed on the availability of funding mechanisms, also available for small and medium-sized enterprises (SMEs). The EU's support for building networks in the region and across Europe was particularly praised in this context. The framework of smart specialization introduced by the EU to regional development policies had proven a good way to think about local priorities and to cooperate within and between regions. A number of participants raised the issue of access to information on EU funding. The EU representative referred to existing EU tools and mechanisms.

Panel 2 Arctic Indigenous Peoples Dialogue: Sustainable Development of the Region from an Indigenous Perspective

- Tuomas Aslak JUUSO, Second Vice-Chair, Sámi Parliament of Finland
- Åsa LARSSON-BLIND, President, Sámi Council
- Minninguaq KLEIST, Minister Counsellor, Representation of Greenland in the European Union
- Bernhard FRIESS, Director Maritime Policy and Blue Economy, Directorate-General for Maritime Affairs and Fisheries (MARE)
- Tove Søvndahl GANT, European External Action Service (EEAS)
- Slavitzia DOBREVA DE SCHIETERE, Unit for Mainstreaming and Environmental Assessments, Directorate-General for Environment (ENV)

The participants of the Arctic Indigenous Peoples Dialogue discussed Indigenous Peoples' rights in the European Union, all agreeing that the EU has made major progress over recent years. Recently, the European Parliament and the Council issued strong statements in support of indigenous rights, although referring primarily to the area of development assistance. Support for a rights-based approach in external action and the application of the principle of Free, Prior and Informed Consent (FPIC) were noticed by the panellists. The EU's approach to the Arctic has also changed. Originally, the debate in the EU was primarily about what Europe could gain from developments taking place in the Arctic. Currently, the focus is rather on how the EU can contribute to regional development, which means that the EU should be increasingly attentive to voices coming from Arctic communities.

However, the panellists stressed that there is space for improvement. For instance, beyond only organising these successful dialogues once a year, there was also a call for establishing a more permanent presence of the European Indigenous People in Brussels. It is important for the Sámi to build partnerships with other actors across Europe that share similar concerns. The annual dialogue could be further consolidated and targeted towards discussing concrete decision-making processes. More information on what the EU does should also be available for northern communities. Arctic indigenous livelihoods, especially sealing and whaling, are still perceived negatively in Europe.

The session also considered the role of Indigenous Peoples in decision-making on major projects, including via the participation in environmental impact assessment (EIA) processes. The EU, for instance, has recently strengthened the participatory aspects of EIAs in its related directive. Yet, the decision-making and assessment processes remain very technical and difficult to penetrate access for indigenous communities. Equally, participation should continue beyond the planning phase and extend to project implemented and operation.

Panel 3 Arctic Connectivity for Homes, Communities and Users

- Carsten HORN-HANSEN, Counsellor for Transport and Communications, Ministry of Foreign Affairs, Norway
- Michael LINDEN-VØRNLE, Astrophysicist and Chief Adviser at the National Space Institute in Denmark
- Niklas NORDSTRÖM, Mayor of the City of Luleå, Sweden, Chairman of Business Sweden and Chairman of the Swedish Air Transport Society
- Anu FREDRIKSON, Director of the Arctic Economic Council Secretariat
- Eric JOYCE, Chair of Market Intelligence Committee, Fibre to the Home Council
- Margaret BATESON-MISSEN, DG for Agriculture and Rural Development (DG AGRI)

The focus of the session was on enhanced connectivity for homes, communities and businesses. Generally, Nordic countries are doing well in terms of broadband coverage and access. However, a big gap between urban and rural areas still exists in the northernmost, remote and sparsely populated regions. The European Commission's Directorate for Agriculture is currently implementing actions to improve broadband access in rural areas across Europe. Yet, the engagement of national government in these projects is of crucial importance since they are required to articulate the agenda and develop a strategy before applying for the EU-support. Participants to the discussion also stressed that good connectivity for the Arctic means a combination of several technologies, including satellite solutions.

The plans for fibre-optic cables crossing the Arctic were high on the panellists' agenda. Such investments would enhance connectivity in the North, facilitate the establishment of data centres, as well as improve global security of connections by eliminating bottlenecks and providing a degree of redundancy.

Panel 4 Cross-border Territorial Cooperation in the Arctic

- Pierre Emmanuel LECLERC, Unit for Macro-regions, Transnational/Interregional cooperation, IPA and Enlargement, Directorate-General for Regional and Urban Policy (REGIO)
- Mika AROMÄKI, International Coordinator and Planner, Sámi Research Institute, Inari, Finland
- Nils Kristian SØRHEIM NILSEN, Head of the North Norway European Office
- Kirsti MIJNHIJMER, Northern Periphery and Arctic Programme Secretariat
- Kalle PAKALÉN, Project Manager, Rural Youth Entrepreneurship (RYE) Connect project
- Julia KORSHUNOVA, Head of Russian Branch Office (Murmansk), Kolarctic Cross-border Cooperation

The next Multiannual Financial Framework will bring changes to cross-border cooperation. The programmes will be linked more directly to macro-regional or sea basin strategies. The core focus of the programmes will shift from being fund distributors to becoming centres of strategic planning. Yet, there is a need to further streamline and simplify EU programmes.

The participants involved in the EU programmes were concerned about what new rules would mean for all stakeholders participating in EU funding schemes. Additionally, the Norwegian participation in the next programming period remains uncertain. Panellists demanded further decrease of the bureaucratic burden. Some participants called for greater focus on the Small and Medium sized enterprises (SMEs) and for projects to contribute in a more tangible manner to regional growth.

Mr. Aromäki and Ms. Korschunova emphasized the value of people-to-people cooperation and the need to continue the implementation of such projects in the future. Greater cooperation with Russian or other Arctic partners and indigenous organizations from across the Circumpolar North is needed. The cooperation with Russian regions may be easier in the future, as Russia has just adopted a dedicated law on cross-border cooperation.

Panel 5 Arctic Science

- Leah BRAITHWAITE, Executive Director of the Canadian Network of Centres of Excellence – ArcticNet
- Kristina BÄR, EU-PolarNet Communications Officer
- Åsa LARSSON-BLIND, President, Sámi Council
- Ramona SAMSON, Deputy Head of Unit for 'SMEs, Financial Instruments and State Aid', Directorate-General for Research and Innovation, European Commission
- Andrea TILCHE, Head of the Unit Climate Action and Earth Observation, DG Research and Innovation

The support for Arctic research is clearly one of the most appreciated Arctic contributions of the EU. Horizon 2020 has a strong Arctic focus, and numerous research projects have been implemented, including those that are part of the EU Arctic Research Cluster. Future activities of DG Research and Innovation include, among others, Arctic GEOSS and Copernicus projects, which constitute major investments for the EU. The EU support for the Arctic research and technological development can also provide instruments for market realisation and the creation of services for communities.

Arctic research benefits from a high level of interdisciplinarity. However, there is still a need to acquire a more holistic approach to Arctic research and avoid disciplinary fragmentation. Moreover, researchers need to enhance their communication skills. Making socio-economic dimensions an essential part of research projects remains especially difficult. Another major challenge is conducting research at the Circumpolar scale and implementing joint projects with Russian partners.

The panellists also discussed ways of adding traditional and local knowledge to scientific research. Related capacity building would allow indigenous communities and organizations to better participate in and contribute to research projects, as well as facilitate project development and establish necessary networks that would grant these organizations a more central role in research consortia.

Closing Session

- H.E. Harri MÄKI-REINIKKA, Secretary-General of Finland's Arctic Advisory Board, Ambassador and Special Adviser on northern policies at the MFA's Arctic Team
- H.E. Marie-Anne CONINSX, EU Ambassador at large for the Arctic, European External Action Service

Ambassadors Mäki-Reinikka and Coninsx reiterated the main outputs of the First Arctic Stakeholder Conference, underlining that the EU is becoming an increasingly important Arctic actor. EU policy-makers, however, need to acquire a more profound understanding of Arctic issues. They restated that sustainable development should be approached in a holistic and integrated manner, while also acknowledging the rapid changes taking place in the Arctic. H.E. Mäki-Reinikka stressed that there is a substantial alignment between Finland's Arctic Council chairmanship priorities and the policy goals of the EU.

Rapporteurs: Romain CHUFFART, Andreas RASPOTNIK, Adam STEPIEN and Liubov TIMONINA