

HCR

23

<TARGET><BILL>HCR 23</BILL><SUBJECT>HCR
23</SUBJECT><COMM>HFIN27</COMM></TARGET>

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version CS HCR 23 (FIN)
 Fiscal Note Number _____
 () Publish Date _____

Identifier (file name) HCR23-LEG-COU-2-13-12 Dept. Affected Legislature
 Title "Establishing and relating to the Alaska Arctic Policy Appropriation Legislative Council
Commission" Allocation Council & Subcommittees
 Sponsor House Finance Committee
 Requester House Finance Committee OMB Component Number 783

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates					
			FY13	FY14	FY15	FY16	FY17	FY18
OPERATING EXPENDITURES								
Personal Services	131.1		131.1	67.2				
Travel	125.1		123.0	2.0				
Services			20.0					
Commodities								
Capital Outlay								
Grants, Benefits								
Miscellaneous								
TOTAL OPERATING	256.2	0.0	274.1	69.2	0.0	0.0	0.0	0.0

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF	256.2	274.1	69.2				
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
TOTAL		256.2	0.0	274.1	69.2	0.0	0.0	0.0

POSITIONS								
Full-time								
Part-time	1		1	1				
Temporary								

CHANGE IN REVENUES								

Estimated SUPPLEMENTAL (FY12) operating costs _____ (separate supplemental appropriation required)
 (discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ (separate capital appropriation required)
 (discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Analysis updated to reflect changes made in the House Finance Committee.

Prepared by Joe Michel
 Division House Finance Committee
 Approved by Co-chair Bill Stoltze
House Finance Committee

Phone 465-4958
 Date/Time 3/14/12:00PM
 Date 3/14/2012

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. CS HCR 23 FIN

Analysis

HCR 23 establishes the Alaska Arctic Policy Commission in the Legislative Branch. The Commission consists of 17 members composed of six Legislators, one member of the Executive Branch and nine public members. Travel funding is included in this fiscal note. Meetings will be held in Barrow, Nome, Kotzebue, Unalaska, Fairbanks, and Anchorage at Legislative Information Offices or local government facilities at no rental cost to the Commission. One range 23 position will be hired to staff the Commission. Their salary is included in this fiscal note. Funding for professional services contracts is included in this fiscal note. The Commission shall develop an Arctic policy for the state and produce a strategy for the implementation of an Arctic policy to address the areas of the state, including the economic, ecological, and security effects to benefit the state and its residents. Costs to teleconference meetings and print the proposals and reports due in January of 2014 and in January 2015 will be absorbed in the Legislative Affairs Agency Budget.

CS FOR HOUSE CONCURRENT RESOLUTION NO. 23(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered:

Referred:

**Sponsor(s): HOUSE FINANCE COMMITTEE BY REQUEST OF THE ALASKA NORTHERN WATERS
TASK FORCE**

A RESOLUTION

1 **Establishing and relating to the Alaska Arctic Policy Commission.**

2 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 **WHEREAS** the Arctic is warming at twice the global rate, resulting in the loss of
4 perennial sea ice and changes to the terrestrial environment; and

5 **WHEREAS** scientists recently predicted that, in 30 to 40 years, there will no longer
6 be summer sea ice in the Arctic; and

7 **WHEREAS** reduced sea ice is affecting polar route navigation by opening oceans
8 previously frozen year-round; and

9 **WHEREAS** the loss of sea ice will bring new opportunities for mineral extraction, oil
10 and gas development, fisheries, tourism, and marine shipping; and

11 **WHEREAS** the Arctic might contain one-quarter of the world's untapped petroleum
12 reserves; and

13 **WHEREAS** Norway, Canada, Russia, and Denmark are making or preparing to make
14 claims to the Arctic seafloor under the United Nations Convention on the Law of the Sea and
15 are increasing their scientific research on and offshore exploration for minerals and oil and
16 gas; and

1 **WHEREAS** Canada and Russia are increasing their military presence in the Arctic
2 and are planning to build infrastructure to support that increased military presence; and

3 **WHEREAS** both Arctic and non-Arctic countries are increasing their presence in the
4 Arctic and are building or planning to build additional infrastructure, including ports, safe
5 harbors, search and rescue centers, and icebreakers and other Arctic-capable vessels; and

6 **WHEREAS** the waters of Northern Alaska are of national security and strategic
7 importance to the United States and the state; and

8 **WHEREAS**, because of national security concerns, the United States Coast Guard is
9 increasing its presence in the North and has plans to build new infrastructure to support its
10 heightened activity, including housing and office facilities and possibly including a deepwater
11 port; and

12 **WHEREAS** Northern Alaska contains important mineral and other resources, both in
13 state waters and on the outer continental shelf; and

14 **WHEREAS** local communities, businesses, the state, and the natural resources that
15 local communities, businesses, and the state rely on will be affected by commercial activities
16 and resource development in the Arctic; and

17 **WHEREAS** climate changes in the Arctic affect the habitat, accessibility, and
18 viability of fish and wildlife species that local communities rely on for nutritional and cultural
19 purposes; and

20 **WHEREAS** Norway, Canada, Russia, Denmark, and other countries have formal
21 Arctic policies on or strategies for future development in the Arctic; and

22 **WHEREAS** the Yukon, Northwest Territories, and Nunavut have developed a shared
23 northern vision to guide development in the Canadian Arctic; and

24 **WHEREAS** this state is the only Arctic state in the United States; and

25 **WHEREAS** the state does not have a comprehensive plan for the northern waters of
26 Alaska; and

27 **WHEREAS** the state does not have a comprehensive Arctic policy; and

28 **WHEREAS** a comprehensive policy to address the Arctic areas of the state, including
29 the economic, ecological, and security effects, will benefit the state and its residents; and

30 **WHEREAS** it is the policy of the United States government to involve the indigenous
31 communities of the Arctic in decisions that affect those communities;

1 **BE IT RESOLVED** by the Alaska State Legislature that the Alaska Arctic Policy
2 Commission is created in the legislative branch and shall consist of 17 members and four
3 alternate members as follows:

4 (1) three senators appointed by the President of the Senate, one member being
5 from the minority;

6 (2) three representatives appointed by the Speaker of the House of
7 Representatives, one member being from the minority; and

8 (3) 10 members appointed jointly by the President of the Senate and the
9 Speaker of the House of Representatives as follows, of which the members appointed under
10 (B) - (J) of this paragraph shall be residents of the state:

11 (A) one member representing the federal government;

12 (B) one member representing a tribal entity;

13 (C) one member representing the mining industry;

14 (D) one member representing the oil and gas industry;

15 (E) one member representing an accredited university or college in
16 Alaska, who has a background in Arctic science;

17 (F) one member representing fisheries;

18 (G) one member from a local government or an association of a local
19 government;

20 (H) one member from a coastal community;

21 (I) one member representing an international Arctic organization;

22 (J) one member of a conservation group;

23 (4) one member representing the executive branch of state government,
24 appointed by the Governor;

25 (5) four alternate members appointed jointly by the President of the Senate
26 and the Speaker of the House of Representatives; each alternate member shall be a resident of
27 the state and meet at least one of the qualifications of a regular member appointed jointly by
28 the President of the Senate and the Speaker of the House of Representatives; and be it

29 **FURTHER RESOLVED** that a vacancy on the commission shall be filled in the
30 manner of the original appointment; and be it

31 **FURTHER RESOLVED** that the representatives on the commission shall select one

1 cochair from the representative members, and the senators on the commission shall select one
2 cochair from the senator members; and the cochairs may assign staff to provide support to the
3 commission; and be it

4 **FURTHER RESOLVED** that the public members and, if the member representing
5 the federal government does not receive reimbursement for expenses from the federal
6 government, the federal government member of the commission may receive per diem and
7 travel expenses authorized for boards and commissions under AS 39.20.180; and be it

8 **FURTHER RESOLVED** that the commission may meet during and between
9 legislative sessions, and the duties of the commission include the following:

10 (1) conduct hearings and take public testimony throughout the state to fulfill
11 the purpose of the commission;

12 (2) develop an Arctic policy for the state and produce a strategy for the
13 implementation of an Arctic policy; and be it

14 **FURTHER RESOLVED** that the commission shall provide recommendations
15 regarding Arctic policy and shall deliver a preliminary report of its findings to the legislature
16 by January 30, 2014, and deliver a final report to the legislature on January 30, 2015, together
17 with legislative proposals for consideration; and be it

18 **FURTHER RESOLVED** that the commission shall be available for legislative
19 hearings regarding its final report and recommendations; and be it

20 **FURTHER RESOLVED** that the continuation or termination of the commission
21 shall be reevaluated during the First Regular Session of the Twenty-Ninth Alaska State
22 Legislature.

Amended
3/14/12

27-LS1212\I

CS FOR HOUSE CONCURRENT RESOLUTION NO. 23(RES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE RESOURCES COMMITTEE

**Offered: 2/22/12
Referred: Finance**

**Sponsor(s): HOUSE FINANCE COMMITTEE BY REQUEST OF THE ALASKA NORTHERN WATERS
TASK FORCE**

A RESOLUTION

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2 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 **WHEREAS** the Arctic is warming at twice the global rate, resulting in the loss of
4 perennial sea ice and changes to the terrestrial environment; and

5 **WHEREAS** scientists recently predicted that, in 30 to 40 years, there will no longer
6 be summer sea ice in the Arctic; and

7 **WHEREAS** reduced sea ice is affecting polar route navigation by opening oceans
8 previously frozen year-round; and

9 **WHEREAS** the loss of sea ice will bring new opportunities for mineral extraction, oil
10 and gas development, fisheries, tourism, and marine shipping; and

11 **WHEREAS** the Arctic might contain one-quarter of the world's untapped petroleum
12 reserves; and

13 **WHEREAS** Norway, Canada, Russia, and Denmark are making or preparing to make
14 claims to the Arctic seafloor under the United Nations Convention on the Law of the Sea and
15 are increasing their scientific research on and offshore exploration for minerals and oil and
16 gas; and

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IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE RESOURCES COMMITTEE

Offered: 2/22/12
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13 **WHEREAS** Norway, Canada, Russia, and Denmark are making or preparing to make
14 claims to the Arctic seafloor under the United Nations Convention on the Law of the Sea and
15 are increasing their scientific research on and offshore exploration for minerals and oil and
16 gas; and

1 **WHEREAS** Canada and Russia are increasing their military presence in the Arctic
2 and are planning to build infrastructure to support that increased military presence; and

3 **WHEREAS** both Arctic and non-Arctic countries are increasing their presence in the
4 Arctic and are building or planning to build additional infrastructure, including ports, safe
5 harbors, search and rescue centers, and icebreakers and other Arctic-capable vessels; and

6 **WHEREAS** the waters of Northern Alaska are of national security and strategic
7 importance to the United States and the state; and

8 **WHEREAS**, because of national security concerns, the United States Coast Guard is
9 increasing its presence in the North and has plans to build new infrastructure to support its
10 heightened activity, including housing and office facilities and possibly including a deepwater
11 port; and

12 **WHEREAS** Northern Alaska contains important mineral and other resources, both in
13 state waters and on the outer continental shelf; and

14 **WHEREAS** local communities, businesses, the state, and the natural resources that
15 local communities, businesses, and the state rely on will be affected by commercial activities
16 and resource development in the Arctic; and

17 **WHEREAS** climate changes in the Arctic affect the habitat, accessibility, and
18 viability of fish and wildlife species that local communities rely on for nutritional and cultural
19 purposes; and

20 **WHEREAS** Norway, Canada, Russia, Denmark, and other countries have formal
21 Arctic policies on or strategies for future development in the Arctic; and

22 **WHEREAS** the Yukon, Northwest Territories, and Nunavut have developed a shared
23 northern vision to guide development in the Canadian Arctic; and

24 **WHEREAS** this state is the only Arctic state in the United States; and

25 **WHEREAS** the state does not have a comprehensive plan for the northern waters of
26 Alaska; and

27 **WHEREAS** the state does not have a comprehensive Arctic policy; and

28 **WHEREAS** a comprehensive policy to address the Arctic areas of the state, including
29 the economic, ecological, and security effects, will benefit the state and its residents; and

30 **WHEREAS** it is the policy of the United States government to involve the indigenous
31 communities of the Arctic in decisions that affect those communities;

1 **BE IT RESOLVED** by the Alaska State Legislature that the Alaska Arctic Policy
2 Commission is created in the legislative branch and shall consist of 16 members as follows:

3 (1) three senators appointed by the President of the Senate, one member being
4 from the minority;

5 (2) three representatives appointed by the Speaker of the House of
6 Representatives, one member being from the minority; and

7 (3) nine members appointed jointly by the President of the Senate and the
8 Speaker of the House of Representatives as follows, of which the members appointed under
9 (B) - (I) of this paragraph shall be residents of the state:

10 (A) one member representing the federal government;

11 (B) one member representing a tribal entity;

12 (C) one member representing the mining industry;

13 (D) one member representing the oil and gas industry;

14 (E) one member representing the University of Alaska, who has a
15 background in Arctic science;

16 (F) one member representing fisheries;

17 (G) one member from a local government or an association of a local
18 government;

19 (H) one member from a coastal community;

20 (I) one member representing an international Arctic organization;

21 (4) one member representing the executive branch of state government,
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24 manner of the original appointment; and be it

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26 cochair from the representative members, and the senators on the commission shall select one
27 cochair from the senator members; and the cochairs may assign staff to provide support to the
28 commission; and be it

29 **FURTHER RESOLVED** that the public members and, if the member representing
30 the federal government does not receive reimbursement for expenses from the federal
31 government, the federal government member of the commission may receive per diem and

insert July
K

1 travel expenses authorized for boards and commissions under AS 39.20.180; and be it

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14 **FURTHER RESOLVED** that the continuation or termination of the commission
15 shall be reevaluated during the First Regular Session of the Twenty-Ninth Alaska State
16 Legislature.

passed
as amended

pg 3, line 20 add

(j) one member
representing a statewide
environmental organization ⁱⁿ the
conservation
community.

(k) 4 alternates will
be appointed

Amendment #1

3/14/12

(By Stolte)

passed

CS For House Concurred
Resolution No. 23 (Res)

Page 3, delete language on
lines 14-15

Replace with new language

"One member representing an
accredited university or
college in Alaska, who has
a background in Arctic science;

Amended on pg 2

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version CSHCR 23(RES)
Fiscal Note Number 1
(H) Publish Date 2/22/12

Identifier (file name) HCR23-LEG-COU-2-13-12 Dept. Affected Legislature
Title "Establishing and relating to the Alaska Arctic Policy Commission" Appropriation Legislative Council
Allocation Council & Subcommittees
Sponsor House Finance Committee
Requester House Finance Committee OMB Component Number 783

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
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OPERATING EXPENDITURES	FY13	FY13	FY14	FY15	FY16	FY17	FY18
Personal Services	131.1		131.1	67.2			
Travel	125.1		123.0	2.0			
Services			20.0				
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	256.2	0.0	274.1	69.2	0.0	0.0	0.0

FUND SOURCE (Thousands of Dollars)

1002	Federal Receipts						
1003	GF Match						
1004	GF	256.2	274.1	69.2			
1005	GF/Prgm (DGF)						
1037	GF/MH (UGF)						
1178	temp code (UGF)						
TOTAL		256.2	0.0	274.1	69.2	0.0	0.0

POSITIONS

Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES

--	--	--	--	--	--	--	--

Estimated SUPPLEMENTAL (FY12) operating costs _____ (separate supplemental appropriation required)
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ (separate capital appropriation required)
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial Version

Prepared by Jessica Geary, Finance Manager
Division Legislative Affairs Agency
Approved by Pamela Varni, Executive Director
Legislative Affairs Agency

Phone 465-6626
Date/Time 2/13/12 1:09pm
Date 2/13/2012

FISCAL NOTE #1

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. CSHCR 23(RES)

Analysis

17
e

HCR 23 establishes the Alaska Arctic Policy Commission in the Legislative Branch. The Commission consists of 16 members composed of six Legislators, one member of the Executive Branch and nine public members. Travel funding is included in this fiscal note. Meetings will be held in Barrow, Nome, Kotzebue, Unalaska, Fairbanks, and Anchorage at Legislative Information Offices or local government facilities at no rental cost to the Commission. One range 23 position will be hired to staff the Commission. Their salary is included in this fiscal note. Funding for professional services contracts is included in this fiscal note. The Commission shall develop an Arctic policy for the state and produce a strategy for the implementation of an Arctic policy to address the areas of the state, including the economic, ecological, and security effects to benefit the state and its residents. Costs to teleconference meetings and print the proposals and reports due in January of 2014 and in January 2015 will be absorbed in the Legislative Affairs Agency Budget.

During Session:
Alaska State Capitol
Juneau, Alaska 99801-1182
(907) 465-4833
Fax (907) 465-4586
1-800-782-4833

Representative_Reggie_Joule@legis.state.ak.us



During Interim:
P.O. Box 673
Kotzebue, Alaska 99752
(907) 442-3880
Fax (907) 442-3022

Alaska State Legislature
REPRESENTATIVE REGGIE JOULE

**HCR 23 – Establishing the Alaska Arctic Policy
Commission**

Sponsor Statement

The Alaska Northern Waters Task Force (ANWTF) was established in 2010 to identify the opportunities and challenges of a changing Arctic. Arctic Nations are anticipating the development of northern shipping routes, mineral extraction, oil and gas exploration, commercial fisheries, and tourism. Some of this change has already started to occur. The ANWTF completed its final report on January 30, 2012. The report includes recommendations in six Arctic policy areas: Governance, Oil & Gas Development, Marine Transportation, Fisheries, Infrastructure, and Research. The report is one of the most detailed statement of Alaska's Arctic policy to date, yet much work remains to fully expound upon all the diverse issues that the Task Force brought forward.

While the United States has an official written Arctic Policy (National Security Presidential Directive (NSPD)-66), Alaska does not. Most of the other Arctic Nations and the Northwest Territories already have established Arctic policies. As the jurisdiction that makes the United States an Arctic nation and as the only U.S. state that is home to Arctic residents, Alaska needs an Arctic policy of its own. Alaska needs to position itself now regarding the nation's Arctic policy – Alaska cannot take that leadership role without understanding what its own priorities should be. This is especially critical considering the United States will be chairing the Arctic Council from 2015-2017. The Arctic Policy Commission will provide the legislature an opportunity to remain engaged in the ongoing Arctic dialogue and to help shape future Alaskan Arctic policy.

Toward this end, HCR 23 creates in the legislative branch an Alaska Arctic Policy Commission. The 16-member Commission would include:

- 3 senators appointed by the Senate President (one acting as Co-Chair)
- 3 representatives appointed by the House Speaker (one acting as Co-Chair)
- 1 member from the executive branch appointed by the Governor
- 9 members appointed jointly by the President and the Speaker representing:
 - The federal government
 - A tribal entity

- The mining industry
- The oil & gas industry
- The University of Alaska
- Fisheries
- A local government
- A coastal community
- An international Arctic organization

Over the course of two years, the Alaska Policy Commission will hold meetings in Arctic areas of the state as well as Anchorage and Fairbanks. The Commission is tasked with providing preliminary recommendations on Alaska's Arctic policy by January 30, 2014 and delivering a final report by January 30, 2015.



February 29, 2012

Representative Bill Stoltze, Co-Chair
Alaska State Legislature
House Finance Committee
State Capitol, Room 515
Juneau, Alaska 99801-1182

Re: HCR 23-Establishing the Alaska Arctic Policy Commission

Dear Representative Stoltze,

On behalf of Inuit Circumpolar Council-Alaska (ICC-Alaska), I am writing to express our support for HCR 23-Establishing the Alaska Arctic Policy Commission.

We are grateful that the State of Alaska Legislature has recognized the need for Alaska to prepare to be involved in managing the changing Arctic. We appreciate the leadership of Representative Reggie Joule. Through the work of the Northern Waters Task Force, he has done an excellent job to bring Arctic policy issues to the attention and forefront of the State of Alaska.

ICC-Alaska is a 501(c) 3 non-profit organization that works to advance Inuit culture and society on behalf of the Inupiat of the North Slope, Northwest and Bering Straits; the Siberian Yupik of St. Lawrence Island; and the Central Yupik of the Yukon-Kuskokwim Delta in Southwest Alaska. ICC-Alaska is a national member of ICC International, an international non-governmental organization. ICC was founded in 1977 and holds Consultative Status II with the United Nations. ICC is also a Permanent Participant at the Arctic Council. ICC strives to strengthen unity among Inuit of the circumpolar north; promote Inuit rights and interests on an international level; develop and encourage long-term policies that safeguard the Arctic environment; and seek full and active partnership in the political, economic, and social development of the circumpolar north.

We hope that the work done by the Northern Waters Task Force to highlight opportunities and challenges of the changing Arctic and the recommendations made, including the establishment of the Alaska Arctic Policy Commission, will position the State of Alaska to proactively engage in Arctic policy discussions and decision-making.

Most importantly, we feel that any efforts made by the State of Alaska in Arctic policy

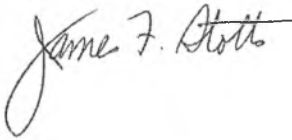
ICC ALASKA

3003 Minnesota #204 • Anchorage, AK 99503 • Phone: (907) 274-9058 • Fax: (907) 274-3861 • www.iccalaska.org

issues will only be successful by meaningfully involving local residents and communities in the process. We encourage the State of Alaska Legislature to consider additional funding to support meaningful local involvement. At the Arctic Council, where Arctic states convene to shape national and international policy, Permanent Participants or indigenous groups, are at the table and are meaningfully engaged. As a Permanent Participant, ICC has full consultation rights in connection with the Arctic Council's negotiations and decisions and has been recognized as making valuable contributions to the Arctic Council work. This is an excellent model to consider.

I am available to further discuss this at any time at your convenience.

Sincerely,

A handwritten signature in cursive script that reads "James F. Stotts". The signature is written in dark ink and is positioned above the printed name.

James F. Stotts,
President

cc. Representative Bill Thomas
Representative Reggie Joule
Representative Neal Foster
Senator Donny Olson
Senator Bert Stedman



[National Security Presidential Directives - NSPDs]

NSPD-66 / HSPD-25

the White House
President George W. Bush

National Security Presidential Directive and Homeland Security Presidential Directive

January 9, 2009

NATIONAL SECURITY PRESIDENTIAL DIRECTIVE/NSPD -- 66
HOMELAND SECURITY PRESIDENTIAL DIRECTIVE/HSPD -- 25

MEMORANDUM FOR THE VICE PRESIDENT

THE SECRETARY OF STATE
THE SECRETARY OF THE TREASURY
THE SECRETARY OF DEFENSE
THE ATTORNEY GENERAL
THE SECRETARY OF THE INTERIOR
THE SECRETARY OF COMMERCE
THE SECRETARY OF HEALTH AND HUMAN SERVICES
THE SECRETARY OF TRANSPORTATION
THE SECRETARY OF ENERGY
THE SECRETARY OF HOMELAND SECURITY
ASSISTANT TO THE PRESIDENT AND CHIEF OF STAFF
ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY
DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET
DIRECTOR OF NATIONAL INTELLIGENCE
ASSISTANT TO THE PRESIDENT FOR NATIONAL SECURITY AFFAIRS
COUNSEL TO THE PRESIDENT
ASSISTANT TO THE PRESIDENT AND DEPUTY NATIONAL SECURITY ADVISOR FOR
INTERNATIONAL ECONOMIC AFFAIRS
ASSISTANT TO THE PRESIDENT FOR HOMELAND SECURITY AND COUNTERTERRORISM
CHAIRMAN, COUNCIL ON ENVIRONMENTAL QUALITY
DIRECTOR OF THE OFFICE OF SCIENCE AND TECHNOLOGY POLICY
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
COMMANDANT, U.S. COAST GUARD
DIRECTOR, NATIONAL SCIENCE FOUNDATION

SUBJECT: Arctic Region Policy

I. PURPOSE

A. This directive establishes the policy of the United States with respect to the Arctic region and directs related implementation actions. This directive supersedes Presidential Decision Directive/NSC-26 (PDD-26; issued 1994) with respect to Arctic policy but not Antarctic policy; PDD-26 remains in effect for Antarctic policy only.

B. This directive shall be implemented in a manner consistent with the Constitution and laws of the United States, with the obligations of the United States under the treaties and other international agreements to which the United States is a party, and with customary international law as recognized by the United States, including with respect to the law of the sea.

II. BACKGROUND

A. The United States is an Arctic nation, with varied and compelling interests in that region. This directive takes into account several developments, including, among others:

1. Altered national policies on homeland security and defense;
2. The effects of climate change and increasing human activity in the Arctic region;
3. The establishment and ongoing work of the Arctic Council; and
4. A growing awareness that the Arctic region is both fragile and rich in resources.

III. POLICY

A. It is the policy of the United States to:

1. Meet national security and homeland security needs relevant to the Arctic region;
2. Protect the Arctic environment and conserve its biological resources;
3. Ensure that natural resource management and economic development in the region are environmentally sustainable;
4. Strengthen institutions for cooperation among the eight Arctic nations (the United States, Canada, Denmark, Finland, Iceland, Norway, the Russian Federation, and Sweden);
5. Involve the Arctic's indigenous communities in decisions that affect them; and
6. Enhance scientific monitoring and research into local, regional, and global environmental issues.

B. **National Security and Homeland Security Interests in the Arctic**

1. The United States has broad and fundamental national security interests in the Arctic region and is prepared to operate either independently or in conjunction with other states to safeguard these interests. These interests include such matters as missile defense and early warning; deployment of sea and air systems for strategic sealift, strategic deterrence, maritime presence, and maritime security operations; and ensuring freedom of navigation and overflight.
2. The United States also has fundamental homeland security interests in preventing terrorist attacks and mitigating those criminal or hostile acts that could increase the United States vulnerability to terrorism in the Arctic region.
3. The Arctic region is primarily a maritime domain; as such, existing policies and authorities relating to maritime areas continue to apply, including those relating to law enforcement.^[1] Human activity in the Arctic region is increasing and is projected to increase further in coming years. This requires the United States to assert a more active and influential national presence to protect its Arctic interests and to project sea power throughout the region.
4. The United States exercises authority in accordance with lawful claims of United States sovereignty, sovereign rights, and jurisdiction in the Arctic region, including sovereignty within the territorial sea, sovereign rights and jurisdiction within the United States exclusive economic zone and on the continental shelf, and appropriate control in the United States contiguous zone.
5. Freedom of the seas is a top national priority. The Northwest Passage is a strait used for international navigation, and the Northern Sea Route includes straits used for international navigation; the regime of transit passage applies to passage through those straits. Preserving the rights and duties relating to navigation and overflight in the Arctic region supports our ability to exercise these rights throughout the world, including through strategic straits.
6. Implementation: In carrying out this policy as it relates to national security and homeland security interests in the Arctic, the Secretaries of State, Defense, and Homeland Security, in coordination with heads of other relevant executive departments and agencies, shall:

- a. Develop greater capabilities and capacity, as necessary, to protect United States air, land, and sea borders in the Arctic region;
- b. Increase Arctic maritime domain awareness in order to protect maritime commerce, critical infrastructure, and key resources;
- c. Preserve the global mobility of United States military and civilian vessels and aircraft throughout the Arctic region;
- d. Project a sovereign United States maritime presence in the Arctic in support of essential United States interests; and
- e. Encourage the peaceful resolution of disputes in the Arctic region.

C. International Governance

1. The United States participates in a variety of fora, international organizations, and bilateral contacts that promote United States interests in the Arctic. These include the Arctic Council, the International Maritime Organization (IMO), wildlife conservation and management agreements, and many other mechanisms. As the Arctic changes and human activity in the region increases, the United States and other governments should consider, as appropriate, new international arrangements or enhancements to existing arrangements.
2. The Arctic Council has produced positive results for the United States by working within its limited mandate of environmental protection and sustainable development. Its subsidiary bodies, with help from many United States agencies, have developed and undertaken projects on a wide range of topics. The Council also provides a beneficial venue for interaction with indigenous groups. It is the position of the United States that the Arctic Council should remain a high-level forum devoted to issues within its current mandate and not be transformed into a formal international organization, particularly one with assessed contributions. The United States is nevertheless open to updating the structure of the Council, including consolidation of, or making operational changes to, its subsidiary bodies, to the extent such changes can clearly improve the Council's work and are consistent with the general mandate of the Council.
3. The geopolitical circumstances of the Arctic region differ sufficiently from those of the Antarctic region such that an "Arctic Treaty" of broad scope -- along the lines of the Antarctic Treaty -- is not appropriate or necessary.
4. The Senate should act favorably on U.S. accession to the U.N. Convention on the Law of the Sea promptly, to protect and advance U.S. interests, including with respect to the Arctic. Joining will serve the national security interests of the United States, including the maritime mobility of our Armed Forces worldwide. It will secure U.S. sovereign rights over extensive marine areas, including the valuable natural resources they contain. Accession will promote U.S. interests in the environmental health of the oceans. And it will give the United States a seat at the table when the rights that are vital to our interests are debated and interpreted.
5. **Implementation:** In carrying out this policy as it relates to international governance, the Secretary of State, in coordination with heads of other relevant executive departments and agencies, shall:
 - a. Continue to cooperate with other countries on Arctic issues through the United Nations (U.N.) and its specialized agencies, as well as through treaties such as the U.N. Framework Convention on Climate Change, the Convention on International Trade in Endangered Species of Wild Fauna and Flora, the Convention on Long Range Transboundary Air Pollution and its protocols, and the Montreal Protocol on Substances that Deplete the Ozone Layer;
 - b. Consider, as appropriate, new or enhanced international arrangements for the Arctic to address issues likely to arise from expected increases in human activity in that region, including shipping, local development and subsistence, exploitation of living marine resources, development of energy and other resources, and tourism;
 - c. Review Arctic Council policy recommendations developed within the ambit of the Council's scientific reviews and ensure the policy recommendations are subject to review by Arctic governments; and
 - d. Continue to seek advice and consent of the United States Senate to accede to the 1982 Law of the Sea Convention.

D. Extended Continental Shelf and Boundary Issues

1. Defining with certainty the area of the Arctic seabed and subsoil in which the United States may exercise its sovereign rights over natural resources such as oil, natural gas, methane hydrates, minerals, and living marine species is critical to our national interests in energy security, resource management, and environmental protection. The most effective way to achieve international recognition and legal certainty for our extended continental shelf is through the procedure available to States Parties to the U.N. Convention on the Law of the Sea.
2. The United States and Canada have an unresolved boundary in the Beaufort Sea. United States policy recognizes a boundary in this area based on equidistance. The United States recognizes that the boundary area may contain oil, natural gas, and other resources.
3. The United States and Russia are abiding by the terms of a maritime boundary treaty concluded in 1990, pending its entry into force. The United States is prepared to enter the agreement into force once ratified by the Russian Federation.
4. Implementation: In carrying out this policy as it relates to extended continental shelf and boundary issues, the Secretary of State, in coordination with heads of other relevant executive departments and agencies, shall:
 - a. Take all actions necessary to establish the outer limit of the continental shelf appertaining to the United States, in the Arctic and in other regions, to the fullest extent permitted under international law;
 - b. Consider the conservation and management of natural resources during the process of delimiting the extended continental shelf; and
 - c. Continue to urge the Russian Federation to ratify the 1990 United States-Russia maritime boundary agreement.

E. Promoting International Scientific Cooperation

1. Scientific research is vital for the promotion of United States interests in the Arctic region. Successful conduct of U.S. research in the Arctic region requires access throughout the Arctic Ocean and to terrestrial sites, as well as viable international mechanisms for sharing access to research platforms and timely exchange of samples, data, and analyses. Better coordination with the Russian Federation, facilitating access to its domain, is particularly important.
2. The United States promotes the sharing of Arctic research platforms with other countries in support of collaborative research that advances fundamental understanding of the Arctic region in general and potential Arctic change in particular. This could include collaboration with bodies such as the Nordic Council and the European Polar Consortium, as well as with individual nations.
3. Accurate prediction of future environmental and climate change on a regional basis, and the delivery of near real-time information to end-users, requires obtaining, analyzing, and disseminating accurate data from the entire Arctic region, including both paleoclimatic data and observational data. The United States has made significant investments in the infrastructure needed to collect environmental data in the Arctic region, including the establishment of portions of an Arctic circumpolar observing network through a partnership among United States agencies, academic collaborators, and Arctic residents. The United States promotes active involvement of all Arctic nations in these efforts in order to advance scientific understanding that could provide the basis for assessing future impacts and proposed response strategies.
4. United States platforms capable of supporting forefront research in the Arctic Ocean, including portions expected to be ice-covered for the foreseeable future, as well as seasonally ice-free regions, should work with those of other nations through the establishment of an Arctic circumpolar observing network. All Arctic nations are members of the Group on Earth Observations partnership, which provides a framework for organizing an international approach to environmental observations in the region. In addition, the United States recognizes that academic and research institutions are vital partners in promoting and conducting Arctic research.
5. Implementation: In carrying out this policy as it relates to promoting scientific international cooperation, the Secretaries of State, the Interior, and Commerce and the Director of the National Science Foundation, in coordination with heads of other relevant executive departments and agencies, shall:

- a. Continue to play a leadership role in research throughout the Arctic region;
- b. Actively promote full and appropriate access by scientists to Arctic research sites through bilateral and multilateral measures and by other means;
- c. Lead the effort to establish an effective Arctic circumpolar observing network with broad partnership from other relevant nations;
- d. Promote regular meetings of Arctic science ministers or research council heads to share information concerning scientific research opportunities and to improve coordination of international Arctic research programs;
- e. Work with the Interagency Arctic Research Policy Committee (IARPC) to promote research that is strategically linked to U.S. policies articulated in this directive, with input from the Arctic Research Commission; and
- f. Strengthen partnerships with academic and research institutions and build upon the relationships these institutions have with their counterparts in other nations.

F. Maritime Transportation in the Arctic Region

1. The United States priorities for maritime transportation in the Arctic region are:
 - a. To facilitate safe, secure, and reliable navigation;
 - b. To protect maritime commerce; and
 - c. To protect the environment.
2. Safe, secure, and environmentally sound maritime commerce in the Arctic region depends on infrastructure to support shipping activity, search and rescue capabilities, short- and long-range aids to navigation, high-risk area vessel-traffic management, iceberg warnings and other sea ice information, effective shipping standards, and measures to protect the marine environment. In addition, effective search and rescue in the Arctic will require local, State, Federal, tribal, commercial, volunteer, scientific, and multinational cooperation.
3. Working through the International Maritime Organization (IMO), the United States promotes strengthening existing measures and, as necessary, developing new measures to improve the safety and security of maritime transportation, as well as to protect the marine environment in the Arctic region. These measures may include ship routing and reporting systems, such as traffic separation and vessel traffic management schemes in Arctic chokepoints; updating and strengthening of the Guidelines for Ships Operating in Arctic Ice-Covered Waters; underwater noise standards for commercial shipping; a review of shipping insurance issues; oil and other hazardous material pollution response agreements; and environmental standards.
4. Implementation: In carrying out this policy as it relates to maritime transportation in the Arctic region, the Secretaries of State, Defense, Transportation, Commerce, and Homeland Security, in coordination with heads of other relevant executive departments and agencies, shall:
 - a. Develop additional measures, in cooperation with other nations, to address issues that are likely to arise from expected increases in shipping into, out of, and through the Arctic region;
 - b. Commensurate with the level of human activity in the region, establish a risk-based capability to address hazards in the Arctic environment. Such efforts shall advance work on pollution prevention and response standards; determine basing and logistics support requirements, including necessary airlift and icebreaking capabilities; and improve plans and cooperative agreements for search and rescue;
 - c. Develop Arctic waterways management regimes in accordance with accepted international standards, including vessel traffic-monitoring and routing; safe navigation standards; accurate and standardized charts; and accurate and timely environmental and navigational information; and
 - d. Evaluate the feasibility of using access through the Arctic for strategic sealift and humanitarian aid and disaster relief.

G. Economic Issues, Including Energy

1. Sustainable development in the Arctic region poses particular challenges. Stakeholder input will inform key decisions as the United States seeks to promote economic and energy security. Climate change and other factors are significantly affecting the lives of Arctic inhabitants, particularly indigenous communities. The United States affirms the importance to Arctic communities of adapting to climate change, given their particular vulnerabilities.
2. Energy development in the Arctic region will play an important role in meeting growing global energy demand as the area is thought to contain a substantial portion of the world's undiscovered energy resources. The United States seeks to ensure that energy development throughout the Arctic occurs in an environmentally sound manner, taking into account the interests of indigenous and local communities, as well as open and transparent market principles. The United States seeks to balance access to, and development of, energy and other natural resources with the protection of the Arctic environment by ensuring that continental shelf resources are managed in a responsible manner and by continuing to work closely with other Arctic nations.
3. The United States recognizes the value and effectiveness of existing fora, such as the Arctic Council, the International Regulators Forum, and the International Standards Organization.
4. Implementation: In carrying out this policy as it relates to economic issues, including energy, the Secretaries of State, the Interior, Commerce, and Energy, in coordination with heads of other relevant executive departments and agencies, shall:
 - a. Seek to increase efforts, including those in the Arctic Council, to study changing climate conditions, with a view to preserving and enhancing economic opportunity in the Arctic region. Such efforts shall include inventories and assessments of villages, indigenous communities, subsistence opportunities, public facilities, infrastructure, oil and gas development projects, alternative energy development opportunities, forestry, cultural and other sites, living marine resources, and other elements of the Arctic's socioeconomic composition;
 - b. Work with other Arctic nations to ensure that hydrocarbon and other development in the Arctic region is carried out in accordance with accepted best practices and internationally recognized standards and the 2006 Group of Eight (G-8) Global Energy Security Principles;
 - c. Consult with other Arctic nations to discuss issues related to exploration, production, environmental and socioeconomic impacts, including drilling conduct, facility sharing, the sharing of environmental data, impact assessments, compatible monitoring programs, and reservoir management in areas with potentially shared resources;
 - d. Protect United States interests with respect to hydrocarbon reservoirs that may overlap boundaries to mitigate adverse environmental and economic consequences related to their development;
 - e. Identify opportunities for international cooperation on methane hydrate issues, North Slope hydrology, and other matters;
 - f. Explore whether there is a need for additional fora for informing decisions on hydrocarbon leasing, exploration, development, production, and transportation, as well as shared support activities, including infrastructure projects; and
 - g. Continue to emphasize cooperative mechanisms with nations operating in the region to address shared concerns, recognizing that most known Arctic oil and gas resources are located outside of United States jurisdiction.

H. Environmental Protection and Conservation of Natural Resources

1. The Arctic environment is unique and changing. Increased human activity is expected to bring additional stressors to the Arctic environment, with potentially serious consequences for Arctic communities and ecosystems.
2. Despite a growing body of research, the Arctic environment remains poorly understood. Sea ice and glaciers are in retreat. Permafrost is thawing and coasts are eroding. Pollutants from within and outside the Arctic are contaminating the region. Basic data are lacking in many fields. High levels of uncertainty remain concerning the effects of climate change and increased human activity in the Arctic. Given the need for decisions to be based on sound scientific and socioeconomic information, Arctic environmental

research, monitoring, and vulnerability assessments are top priorities. For example, an understanding of the probable consequences of global climate variability and change on Arctic ecosystems is essential to guide the effective long-term management of Arctic natural resources and to address socioeconomic impacts of changing patterns in the use of natural resources.

3. Taking into account the limitations in existing data, United States efforts to protect the Arctic environment and to conserve its natural resources must be risk-based and proceed on the basis of the best available information.
4. The United States supports the application in the Arctic region of the general principles of international fisheries management outlined in the 1995 Agreement for the Implementation of the Provisions of the United Nations Convention on the Law of the Sea of December 10, 1982, relating to the Conservation and Management of Straddling Fish Stocks and Highly Migratory Fish Stocks and similar instruments. The United States endorses the protection of vulnerable marine ecosystems in the Arctic from destructive fishing practices and seeks to ensure an adequate enforcement presence to safeguard Arctic living marine resources.
5. With temperature increases in the Arctic region, contaminants currently locked in the ice and soils will be released into the air, water, and land. This trend, along with increased human activity within and below the Arctic, will result in increased introduction of contaminants into the Arctic, including both persistent pollutants (e.g., persistent organic pollutants and mercury) and airborne pollutants (e.g., soot).
6. Implementation: In carrying out this policy as it relates to environmental protection and conservation of natural resources, the Secretaries of State, the Interior, Commerce, and Homeland Security and the Administrator of the Environmental Protection Agency, in coordination with heads of other relevant executive departments and agencies, shall:
 - a. In cooperation with other nations, respond effectively to increased pollutants and other environmental challenges;
 - b. Continue to identify ways to conserve, protect, and sustainably manage Arctic species and ensure adequate enforcement presence to safeguard living marine resources, taking account of the changing ranges or distribution of some species in the Arctic. For species whose range includes areas both within and beyond United States jurisdiction, the United States shall continue to collaborate with other governments to ensure effective conservation and management;
 - c. Seek to develop ways to address changing and expanding commercial fisheries in the Arctic, including through consideration of international agreements or organizations to govern future Arctic fisheries;
 - d. Pursue marine ecosystem-based management in the Arctic; and
 - e. Intensify efforts to develop scientific information on the adverse effects of pollutants on human health and the environment and work with other nations to reduce the introduction of key pollutants into the Arctic.

IV. Resources and Assets

A. Implementing a number of the policy elements directed above will require appropriate resources and assets. These elements shall be implemented consistent with applicable law and authorities of agencies, or heads of agencies, vested by law, and subject to the availability of appropriations. The heads of executive departments and agencies with responsibilities relating to the Arctic region shall work to identify future budget, administrative, personnel, or legislative proposal requirements to implement the elements of this directive.

GEORGE W. BUSH

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[1] These policies and authorities include Freedom of Navigation (PDD/NSC-32), the U.S. Policy on Protecting the Ocean Environment (PDD/NSC-36), Maritime Security Policy (NSPD-41/HSPD-13), and the National Strategy for Maritime Security (NSMS).

Source: The White House



STATEMENT ON CANADA'S ARCTIC FOREIGN POLICY

Canada's vision for the Arctic is of a stable, rules-based region with clearly defined boundaries, dynamic economic growth and trade, vibrant Northern communities, and healthy and productive ecosystems.

The international dimension of Canada's NORTHERN STRATEGY



Government
of Canada

Gouvernement
du Canada

Canada

CANADA'S ARCTIC FOREIGN POLICY

provides the international platform from which to project our national interests in the world across all four pillars of the Northern

Strategy: EXERCISING OUR SOVEREIGNTY, PROMOTING

ECONOMIC AND SOCIAL DEVELOPMENT, PROTECTING

THE ARCTIC ENVIRONMENT, AND IMPROVING AND

DEVOLVING GOVERNANCE. We will pursue our interests at the

international level through leadership and stewardship.

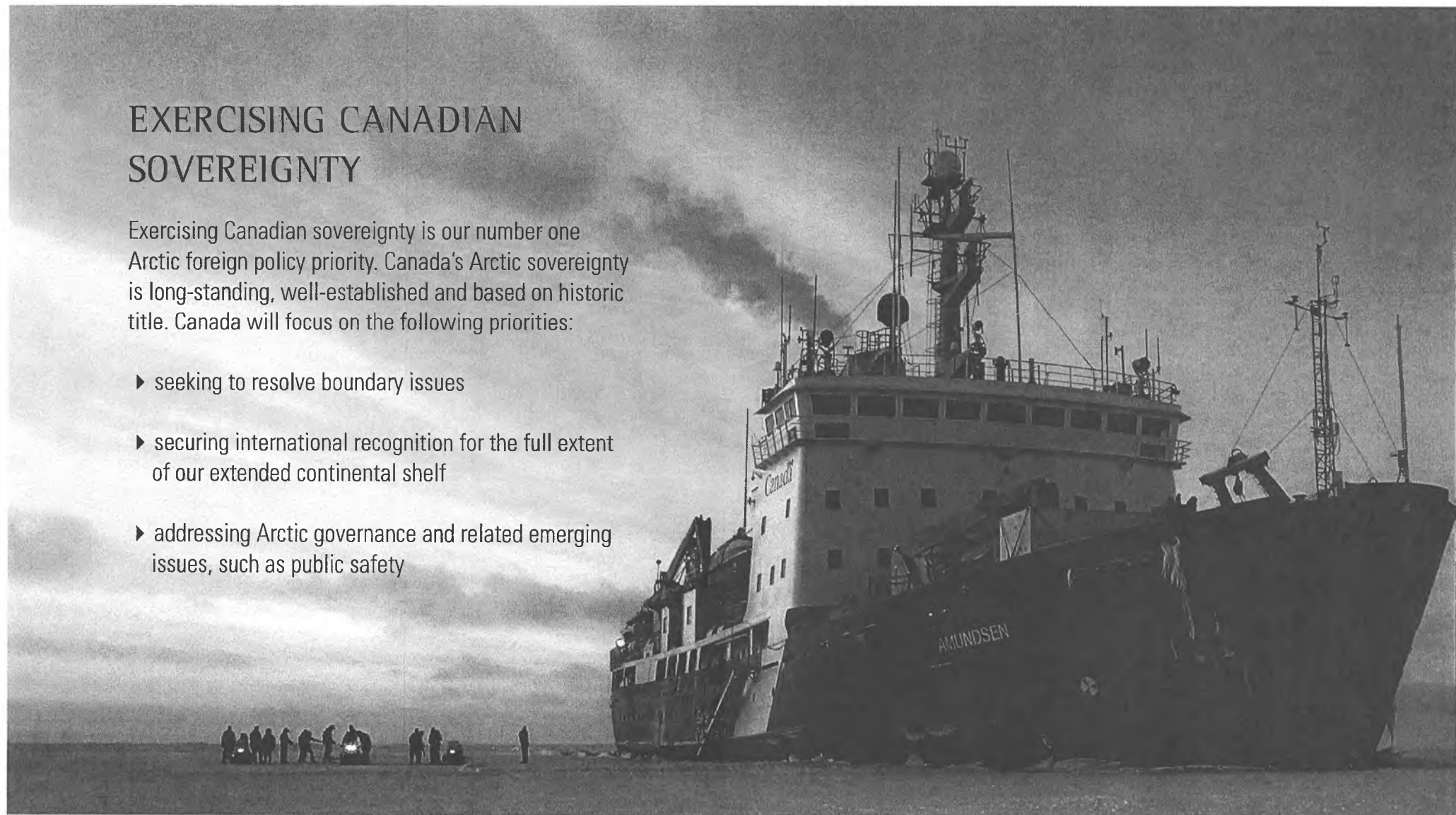
OUR APPROACH

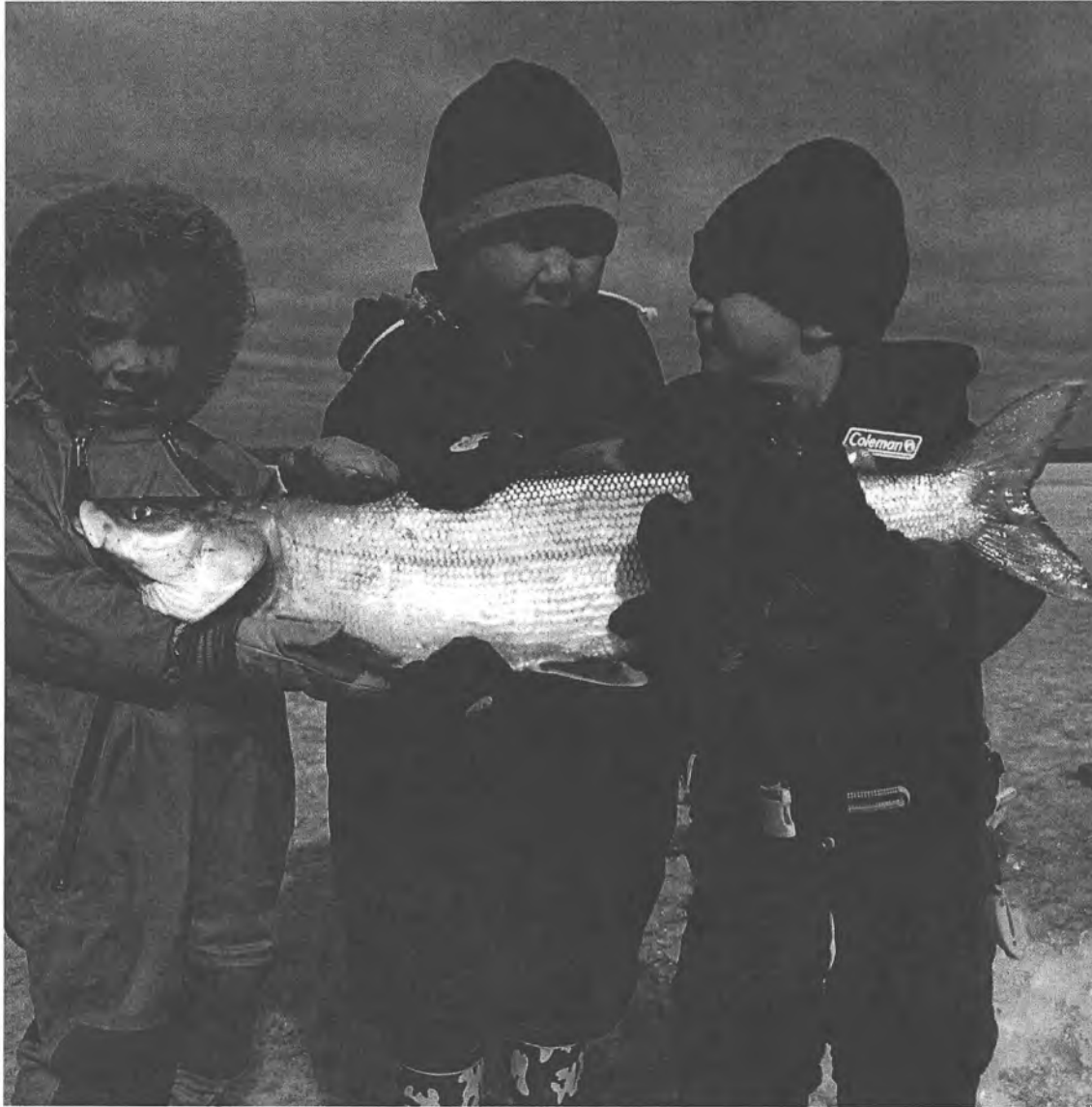
- ▶ Canada will show leadership and work with others to demonstrate responsible stewardship to build a region responsive to Canadian interests and values, secure in the knowledge that the North is our home and our destiny.
- ▶ Canada will maintain control of our Arctic lands and waters and will respond when others take actions that affect our national interests.
- ▶ Canada will never waver from our commitment to protect our North. Cooperation, diplomacy, and respect for international law will remain hallmarks of Canada's approach.

EXERCISING CANADIAN SOVEREIGNTY

Exercising Canadian sovereignty is our number one Arctic foreign policy priority. Canada's Arctic sovereignty is long-standing, well-established and based on historic title. Canada will focus on the following priorities:

- ▶ seeking to resolve boundary issues
- ▶ securing international recognition for the full extent of our extended continental shelf
- ▶ addressing Arctic governance and related emerging issues, such as public safety





PROMOTING ECONOMIC AND SOCIAL DEVELOPMENT

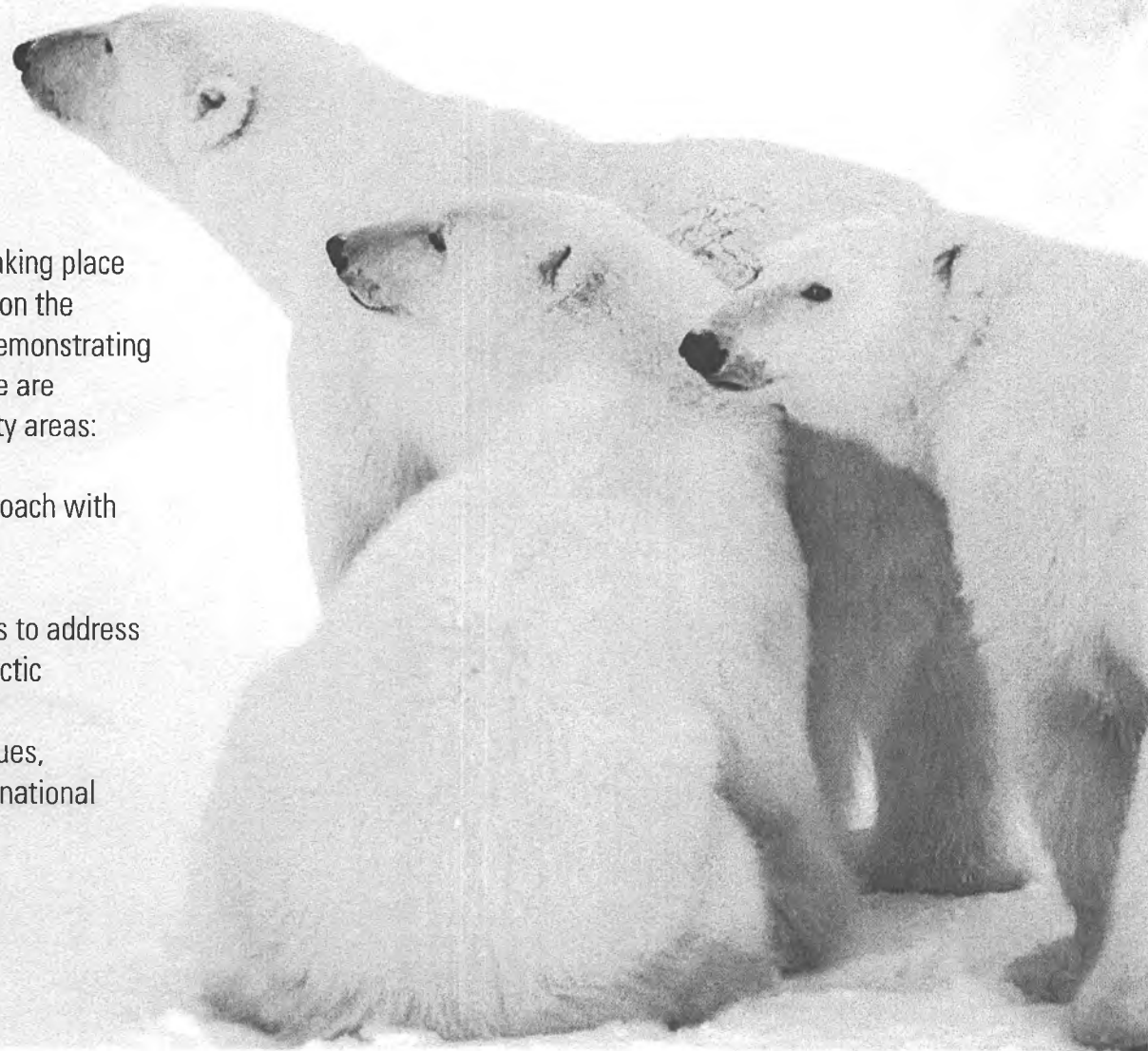
The people of the North are at the heart of Canada's Arctic foreign policy. Canada will actively promote Northern economic and social development internationally on three key fronts:

- ▶ taking steps to create the appropriate international conditions for sustainable development in the Arctic region
- ▶ seeking trade and investment opportunities that benefit Northerners and all Canadians
- ▶ encouraging a greater understanding of the human dimension of the Arctic to improve the lives of Northerners

PROTECTING THE ARCTIC ENVIRONMENT

The Arctic environment is being affected by events taking place far outside the Arctic but having a significant impact on the region's unique and fragile environment. Canada is demonstrating stewardship in this magnificent ecological region. We are pursuing action internationally in the following priority areas:

- ▶ promoting an ecosystem-based management approach with our Arctic neighbours and others
- ▶ contributing to and supporting international efforts to address the causes and effects of climate change in the Arctic
- ▶ enhancing efforts on a range of environmental issues, including the promotion and strengthening of international standards
- ▶ strengthening Arctic science and the legacy of the International Polar Year



IMPROVING AND DEVOLVING GOVERNANCE

The Government of Canada is committed to providing Canadian Northerners with more control over their economic and political destiny. Canada's Arctic foreign policy bolsters our domestic efforts toward strong governance in the North in the following three ways:

- ▶ providing opportunities for Northerners to actively participate in shaping Canadian foreign policy on Arctic issues
- ▶ continuing to support the participation of Indigenous Permanent Participant organizations at the Arctic Council
- ▶ providing Canadian youth with opportunities to participate in the circumpolar dialogue





OUR STRATEGY

The rapid pace of change and growing importance of the Arctic requires that we strengthen our capacity to deliver on Canada's priorities on the international scene. Facing the region's challenges and seizing its opportunities often requires finding ways to work with others, through bilateral relations with neighbours in the Arctic, through regional mechanisms like the Arctic Council and through other multilateral institutions.

Enhancing key bilateral relationships

Canada will pursue a more strategic engagement with the U.S., our premier partner in the Arctic, and will work closely with Denmark, Finland, Iceland, Norway, Russia, Sweden, and in priority areas. The Arctic has also attracted the interest of non-Arctic states and entities. The key foundation for collaboration will be acceptance of and respect for Arctic states' sovereignty and the perspectives and knowledge of Northerners.

Pursuing a strengthened Arctic Council

The Arctic Council is the leading forum for cooperation on Arctic issues. Canada's key priorities for strengthening the Council include pursuing a greater policy dialogue, ensuring that research continues to focus on key emerging issues, and engaging with other member states to address the structural needs of the organization.

Working through multilateral institutions

Canada will work through all relevant multilateral institutions toward global solutions for issues such as polar shipping regulations, climate change and mercury emissions.

Canada's Arctic foreign policy
statement can be found on Foreign
Affairs and International Trade
Canada's circumpolar website:
www.circumpolar.gc.ca

For Canada's Northern Strategy please
see Indian and Northern Affairs
Canada's website:
www.northernstrategy.ca

© Her Majesty the Queen in Right of Canada, 2010
Catalogue number: 978-1-100-50355-4
ISBN FR5-44/2009 [BCI-067-2010]

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Denmark, Greenland and the Faroe Islands:

Kingdom of Denmark

Strategy for the Arctic 2011–2020

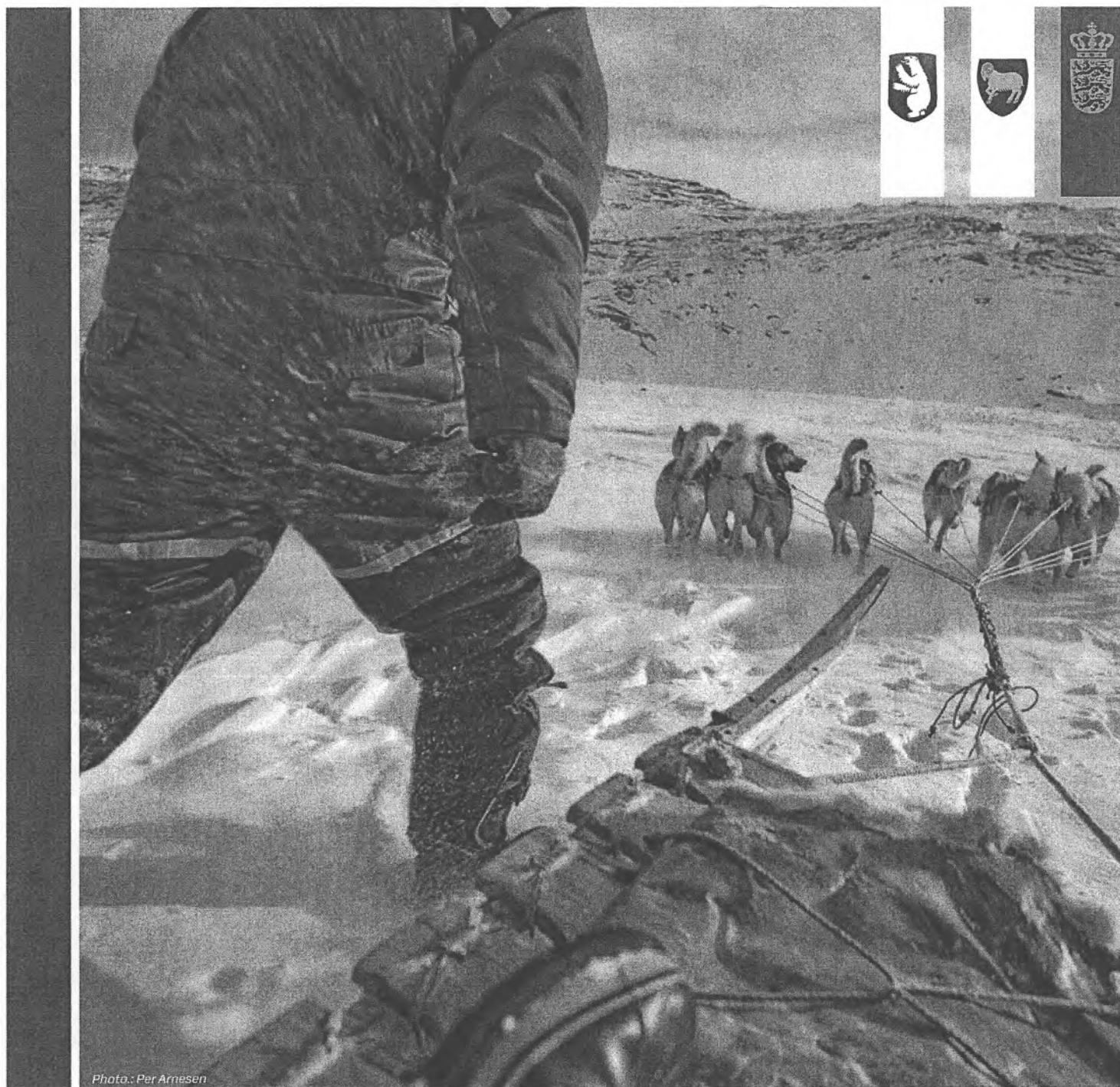


Photo.: Per Arnesen

Denmark, Greenland and the Faroe Islands:

Kingdom of Denmark

Strategy for the Arctic 2011–2020

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Preface

The Kingdom of Denmark is centrally located in the Arctic. The three parts of the Realm – Denmark, Greenland and the Faroe Islands – share a number of values and interests and all have a responsibility in and for the Arctic region. The Arctic makes up an essential part of the common cultural heritage, and is home to part of the Kingdom's population.

The Kingdom and its populations have over several hundred years developed modern and sustainable societies based on democratic principles. The development has affected all sectors of society - from education, health and research to the environment, trade and shipping. At the same time, huge and sweeping changes are taking place today in the Arctic. Due to climate change and technological developments, vast economic potential is becoming more accessible.

It is our common objective that the Arctic and its current potential must be developed to promote sustainable growth and social sustainability. This development must take place firstly to the benefit of the inhabitants of the Arctic and go hand in hand in safeguarding the Arctic's environment.

With new opportunities come new challenges. The Arctic has to be managed internationally on the basis of international principles of law to ensure a peaceful, secure and collaborative Arctic.

The purpose of this strategy is, on the basis of an already strong engagement in the Arctic, to reinforce the foundation for appropriate cooperation on the many new opportunities and challenges that the Arctic is facing.

The Kingdom is already a vigorous and important actor in the strategically vital international cooperation on the future of the Arctic and in that connection attaches great importance to creating transparency in and understanding for cooperation.

In the Kingdom's strategy for the Arctic 2011-2020, the Government, the Government of the Faroes and the Government of Greenland have set out the most important opportunities and challenges as we see them today and in the near future. On that basis we have defined our common political objectives for the Arctic.

We will – through close cooperation in the Kingdom and with our international partners - work towards the common overall goal of creating a peaceful, prosperous and sustainable future for the Arctic.

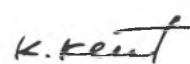
For the Government of Denmark
Lene Espersen



For the Government of the Faroes
Kaj Leo Holm Johannesen



For the Government of Greenland
Kuupik Kleist



1. Introduction

1.1. A REGION IS OPENING UP

One of the most significant global issues over the past 10 years is the vast changes in the Arctic region. The world has again turned its attention to the Arctic, this time mainly because of the climate effects in the Arctic, the economic potential of the region, and the geopolitical implications of changes in the Arctic. The political, economic and social development is already underway, including the flourishing of advanced democratic societies, and the future of the Arctic will be radically different from the reality we know today.

Warming in the Arctic is occurring faster than anywhere else on the planet, and the average temperature in the Arctic has surpassed all previous measurements in the first decade of the 21st century. Sea ice has been shrinking, and the melting of Greenland's ice sheet and other Arctic ice caps will contribute more and more to the rise in global sea levels. Climate change has major implications for the global, regional and local climatic and environmental conditions and requires decisive global action.

The Arctic and the global community are presented with both new challenges and new opportunities.

Climate change poses new challenges to the peoples of the Arctic and puts pressure on the natural environment. Warming will

especially change the basis of the Arctic inhabitants' lifestyles and the indigenous Arctic peoples' culture. Moreover, the harvesting of living resources plays a pivotal role in the Arctic, and changes for example in fish stock productivity and distribution is of great importance to the economy. Glaciers in the Arctic and the Greenland ice sheet increasingly contribute to the global rise in sea levels, and changes and dynamics in Arctic systems are crucial to global climate trends. Thus, they are of particular significance for the adaptation to climate change on a global scale and thereby also for the entire Kingdom. Increased economic activity and renewed geopolitical interest in the Arctic results in a number of key challenges to ensuring a stable, peaceful and secure region characterized by dialogue, negotiation and cooperation.

Climate change and technological developments are also opening new possibilities for the Arctic. Among them is increased access to the exploitation of oil, gas and minerals, but also new shipping routes which can reduce costs and CO₂ emissions by freight between the continents. It is estimated that the Arctic may contain up to 30% of the world's undiscovered gas resources and about 10% of undiscovered oil resources, and that ships sailing between East Asia and Western Europe could save more than 40% in transportation time and fuel costs by navigating the northern sea lanes north of Siberia rather than the southern route

through the Suez Canal. Furthermore, climate change could provide access to new fishing grounds in the Arctic where rising sea temperatures can pull fisheries towards the North. Commercial opportunities in the Arctic are enormous, not least for the Greenland, Faroese and Danish industries, which to a great extent already possess the skills that will be far more in demand with the development of the Arctic region.

Overall we can expect a multi-faceted boom in activities in the Arctic over the coming decades. New opportunities and challenges must be handled proactively - with care, with long-term accountability and with respect for the Arctic societies, the rights of Arctic indigenous peoples, the

FACTS ABOUT THE ARCTIC

The Arctic covers more than a sixth of the Earth's total land mass plus the Arctic Ocean which the Arctic coastal states border. Unlike Antarctica, which also has relatively low temperatures year round, the Arctic region is populated by people, including more than 30 different indigenous peoples such as the Inuit who originate from the Thule culture. The Arctic has a unique wildlife, largely associated with the sea, including marine mammals such as seals, whales and walrus.

Arctic climate and the environment. The basis for the future of the Arctic is being created now, and the Kingdom must play a key role in the future international cooperation that lies ahead.

1.2. JOINT STRATEGY FOR THE ARCTIC

The Kingdom consists of three parts - Denmark, the Faroe Islands and Greenland - and, by virtue of Greenland, is centrally located as a coastal state in the Arctic. This involves specific rights and obligations in the region. Today, both the Faroe Islands and Greenland have extensive self-government and the division of legislative and administrative powers between the Kingdom's three parts requires good cooperation and a joint strategy to meet the opportunities and challenges in the Arctic.

The Faroe Islands and Greenland have had home rule since 1948 and 1979, respectively. Home rule arrangements have been continuously modernised, most recently by the Takeover Act on Power of Matters and Fields of Responsibility and the Act on Faroes Foreign Policy Powers of 2005 in the Faroe Islands and the Greenland Self-Government Act of 2009. Considerable parts of the separation of powers that are central in an Arctic context are matters that fall within the exclusive powers of the respective Faroese and the Greenland

TERMINOLOGY

The strategy uses the terms "The Kingdom" and "Danish Realm" for both the formal relations between Denmark, Greenland and the Faroe Islands and in a broader and more informal sense. Naalakkersuisut is, pursuant to the Self-Government Act of Greenland, the name of the Government of Greenland.

authorities. The Kingdom thus comprises significant political diversity and also accommodates cultural differences.

The Kingdom's Arctic strategy intends no change in the power-sharing that exists between Denmark, the Faroe Islands and Greenland, including responsibility for policy areas taken over and their funding. Regardless of these individual distinctions, the Kingdom has a common interest in addressing the challenges and utilising the opportunities arising from the Arctic region's rapidly changing conditions and growing interest from the world. One of the areas Greenland has taken over is mineral resources. Decisions on development, exploration and exploitation of resources in Greenland are taken by the Greenland authorities. However, revenues from mineral activities will benefit both the Greenland and Danish people, given that cf. Self-Government Act for Greenland there will be a reduction of the annual block grant in line with possible revenues from mineral resources.

A strategy for the Arctic region is first and foremost a strategy for a development that benefits the inhabitants of the Arctic - involving common interests relating to for example international agreements, and regional and global issues. Such a development incorporates a fundamental respect for the Arctic peoples' rights to utilise and develop their own resources as well as respect for the indigenous Arctic culture, traditions and lifestyles and the promotion of their rights. Denmark and Greenland's cooperation on Arctic indigenous peoples dates back to 1973 when the Arctic Peoples' Conference at Christiansborg Palace in Copenhagen became a launching point for the international organising of indigenous peoples.

Cooperation between Denmark and Greenland helps in creating new opportunities for the Arctic indigenous peoples. Greenland's self-government model, natural resource

management, climate policy, environmental policy and preservation of its cultural heritage is a model of inspiration for many of the world's indigenous peoples. This situation constitutes an essential element in the Kingdom's international efforts to promote indigenous rights and aspirations. Denmark and Greenland will continue constructive cooperation to strengthen indigenous peoples' rights to control their own development and their own political, economic, social and cultural situation.

It is a central goal of Greenland, the Faroe Islands and Denmark that decisions regarding management and utilisation of resources and protection of the environment are taken in accordance with international obligations, and are based on the best scientific advice that supports healthy, productive and self-sustaining communities. Based on good collaboration within the Kingdom, policies and mechanisms must be organised in close cooperation with other Arctic nations and other stakeholders with an interest in the Arctic.

The premise of this strategy stems internationally from the Arctic Council Declarations and the Ilulissat Declaration of 2008, in which the coastal states of the Arctic Ocean committed themselves politically to giving negotiation and cooperation pride of place in handling disputes, challenges and opportunities in the Arctic, and thus hopefully once and for all dispelling the myth of a race to the North Pole.

The Kingdom's approach to security policy in the Arctic is based on an overall goal of preventing conflicts and avoiding the militarization of the Arctic, and actively helping to preserve the Arctic as a region characterized by trust, cooperation and mutually beneficial partnerships.

In an equal partnership between the three parts of the Danish Realm, the Kingdom will work overall for:

HCR 23-ALASKA ARCTIC POLICY COMMISSION

The links for these documents in it's entirety can be found below:

Canada's Northern Strategy can be found here:

<http://northernstrategy.gc.ca/cns/cns.pdf>

The Kingdom of Denmark's Arctic Strategy can be found at the following link:

<http://uk.nanoq.gl/~media/29CF0C2543B344ED901646A228C5BEE8.ashx>

This page is posted on BASIS you can click on these links from the documents box of HCR 23.



February 20, 2012

Honorable Senator Donny Olson
Honorable Representative Neal Foster

Dear Senator Olson and Representative Foster,

The City of Nome supports HCR 23 Establishing and relating to the Alaska Arctic Policy Commission.

The State of Alaska needs to have an Arctic vision, comprehensive plan and implementation strategy for future development and protection of the Arctic and Bering Sea to address economic, ecological, and security effects that will benefit the state and its residents.

Although originally built to support regional cargo distribution, the Port of Nome has seen a significant increase in a variety of ocean vessel traffic as documented in statistical data. In 1990, there were a mere 30 port calls, most of which were cargo barges and a few fishing trawlers. By 2009, this had increased ten-fold with 304 port calls, of which many were ocean vessels using Nome as a resupply location for fuel and personnel transfers. The typical peak time of port activity is when commercial and recreational vessels are traversing ---- the Bering Strait as they pass through Nome on their journey to and from the Arctic to explore the outer continental shelf (OCS) and Northwest Passage.

The Marine Exchange of Alaska has provided data for traffic within the Bering Strait. In 2009 there were 277 transits with a surge to 338 movements recorded in 2010.

This year Shell plans to have 22 vessels support their drilling operations in the Chukchi and Beaufort Seas. Next year there will be two more oil companies conducting exploration and the following year, indications are that three additional companies have scheduled exploration activities. The fourth year we may see a Canadian firm passing through the Bering Straits to their get to their 200-mile limit exclusive economic zone (EEZ) for exploration. We will see a huge increase in traffic if they are successful in obtaining their permits, possibly doubling ocean going vessel traffic in the very near term.

The City of Nome is in a very unique position within the State of Alaska relative to offshore lease sales in state waters for suction gold dredging. In 2011 DNR lease sales netted the State of Alaska over \$9 million. This was in an area where in 1996 there were only 3 dredges operating offshore, and which by 2011 had significantly increased to 39 vessels specifically mining for gold. The interest in this opportunity is rapidly growing with the 2012 ice-free season expecting to see a massive influx in these small dredging craft.



P.O. Box 281 • Nome, Alaska 99762

Phone 907.443.6663 Fax 907.443.5349

These resource development activities will impact coastal communities and we continue to urge the Governor and State Legislature to engage the coastal communities, as any laws and regulations that are created will directly affect operations within our jurisdiction. We need to be at the table as partners to collaborate and communicate on the development and protection of the Arctic lands and seas that are at our front door.

The Northern Waters Task Force recommended the development of a comprehensive U.S. Arctic strategy. The Alaska Arctic Commission will be the instrument to ensure local, regional and state interests are balanced with national policies to safeguard the environment and culture, as well as encompass all strategies for economic development.

If you have any questions, I can be reached at 907/443-6600. Thank you.

Sincerely,

City of Nome

Denise Michels
Mayor

cc: Nome Common Council
Kawerak
BSNC
NEC
Sitnasuak Native Corporation



NANA



February 24, 2012

Representative Reggie Joule
State Capitol Room 410
Juneau AK, 99801

Subject: Alaska Arctic Policy Commission

Dear Representative Joule,

On behalf of the Arctic Slope Regional Corporation (ASRC), NANA Regional Corporation, the North Slope Borough (NSB), and the Northwest Arctic Borough (NWAB) we submit these comments on HCR 23 for your consideration. As you know, both ASRC and NANA are Alaska Native regional corporations established pursuant to the Alaska Native Claims Settlement Act of 1971 (ANCSA), and both are the largest private land owners within our respective regions. Collectively we represent over 20,000 Alaska Native shareholders. The NSB and NWAB are the municipal governments representing areas as large as the states of Minnesota and Indiana, combined. Collectively, both boroughs represent areas encompassing more than 130,000 square miles

We support HCR 23, because it empowers our communities to continue to balance the subsistence and economic needs of our communities. It is essential that our corporations have the ability to provide benefits to our shareholders while our boroughs preserve the right and ability to provide services to our communities. Our organizations, along with our business partners, must maintain the ability to use our resources in a responsible manner if we are to maintain our culture and traditions.

The Arctic Policy Commission, as proposed, includes a variety of stakeholders. We encourage you to consider adding language that designates a representative named by each of our organizations to the commission. Our people have thrived in the Arctic since time immemorial and the future sustainability of our region is critical to all of our residents.

We sincerely appreciate your work on/with the Northern Waters Task Force (NWTTF). The work acutely highlights the changing Arctic, especially in the areas of governance, oil and gas development, marine transportation, fisheries, infrastructure and research.

In the harsh conditions of Northern Alaska, small differences mark the line between life and death, success and failure. If we are impeded in our work to develop jobs and cash income for the benefit of our residents, if our goods transported by commercial shipping are delayed or deterred, if our resources cannot be developed, if our traditional and subsistence way of life is threatened, or if economic partners cease their work in Northern Alaska, our communities will suffer the health, social and economic consequences. This legislation charges the proposed commission with developing an Arctic policy and a strategy for its implementation. Because our organizations are a consistent presence in the Arctic, we will bear responsibility for ensuring the policy is implemented on the ground in the Arctic. Additionally,

we bear the brunt of the risks associated with increased activities in the Arctic. This is why it is important to include the perspectives of our organizations on this commission. Therefore, we respectfully request all of our organizations are offered a seat at the table.

Again, we sincerely thank you for all of the hard work you and your staff dedicate on behalf of our regions. We are thankful for such great representation in the Alaska Legislature.

Quyanaqpak, Taikuu,

ARCTIC SLOPE REGIONAL CORPORATION




Rex Rock, Sr.
President and CEO

NANA REGIONAL CORPORATION



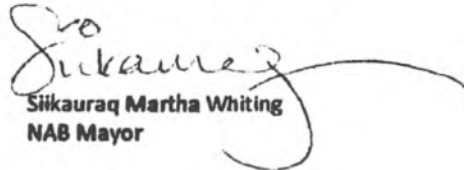
Marie Greene
President and CEO

NORTH SLOPE BOROUGH



Charlotte E. Brower
NSB Mayor

NORTHWEST ARCTIC BOROUGH



Siikauraq Martha Whiting
NAB Mayor



The Honorable Reggie Joule
House of Representatives
Alaska State Capitol
Juneau, AK 99801-1182

February 14, 2012

NANA Regional Corporation, Inc. (NANA) writes in support of HCR 23, which would establish the Alaska Arctic Policy Commission. As you know, NANA was established pursuant to the Alaska Native Claims Settlement Act of 1971. Our region is comprised of 38,000 square miles of land (roughly the size of Indiana) mostly above the Arctic Circle. Our land encompasses eleven villages of primarily Inupiat residents. Our mission is:

"We improve the quality of life for our people by maximizing economic growth, protecting and enhancing our lands, and promoting healthy communities with decisions, actions, and behaviors inspired by our Inupiat Iitqusiat values consistent with our core principles."

Our core principles are, "Honesty and integrity will govern our activities. Commitments made will be fulfilled. Everyone will be treated with dignity and respect."

NANA appreciates the work you did in 2010 to create the Alaska Northern Waters Task Force (NWTF). The work of the NWTF has been of vital importance to the State of Alaska and to Alaskan communities. The NWTF recognized that the rapid changing of the Arctic is profoundly impacting our communities, which rely on the fruits of the land, sea and air to meet cultural and nutritional needs. The influx of increased activities from outside parties, including new shipping routes, oil and gas exploration, commercial fisheries and tourism, creates new challenges, but also new opportunities. NANA believes that these challenges and opportunities must be met head-on by Alaskans. Through this Commission, the State of Alaska would continue to take a leadership role on Arctic policy issues, which is especially important as the United States prepares for its 2015-2017 chairmanship of the Arctic Council.

The Arctic Policy Commission as proposed would include a variety of stakeholders. We encourage you to consider adding a representative of an ANCSA corporation to the Commission, as such a representative would contribute a unique perspective to the dialog. Again, quyaanaqpak for your work on the NWTF and for working toward passage of HCR 23.

Sincerely,

Elizabeth Saagulik Hensley
Corporate & Public Policy Liaison