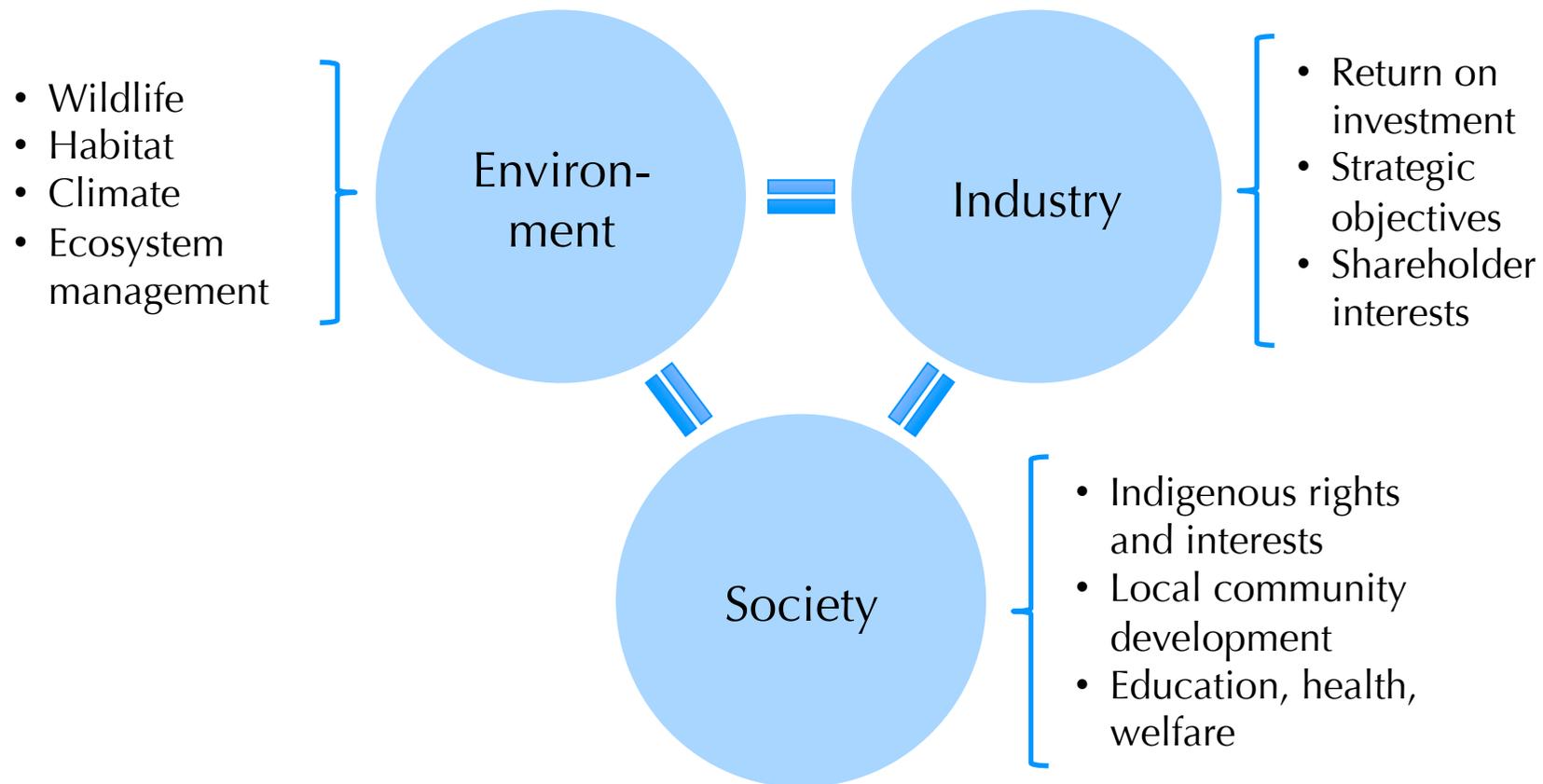


Indigenous peoples and the challenge of responsible development in the Arctic

IUCN/Shell Arctic Cross-Sector Coalition Workshop

Oxford, UK
25-26 March 2013

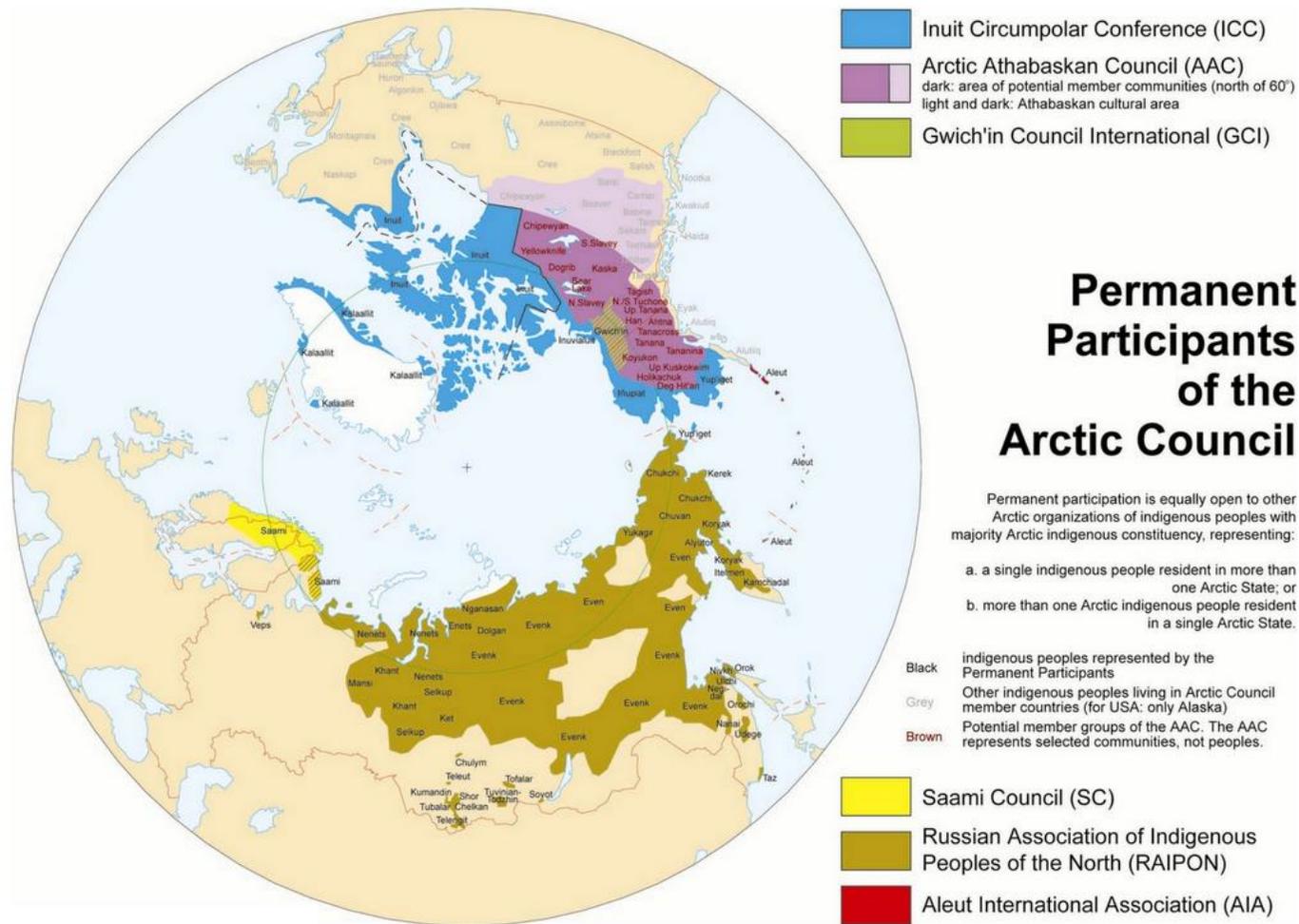
Responsible Arctic development balances social as well as environmental and industry concerns



Standard policy paradigm of environment vs development too narrow for Arctic as homeland

Source: Polar Aspect analysis

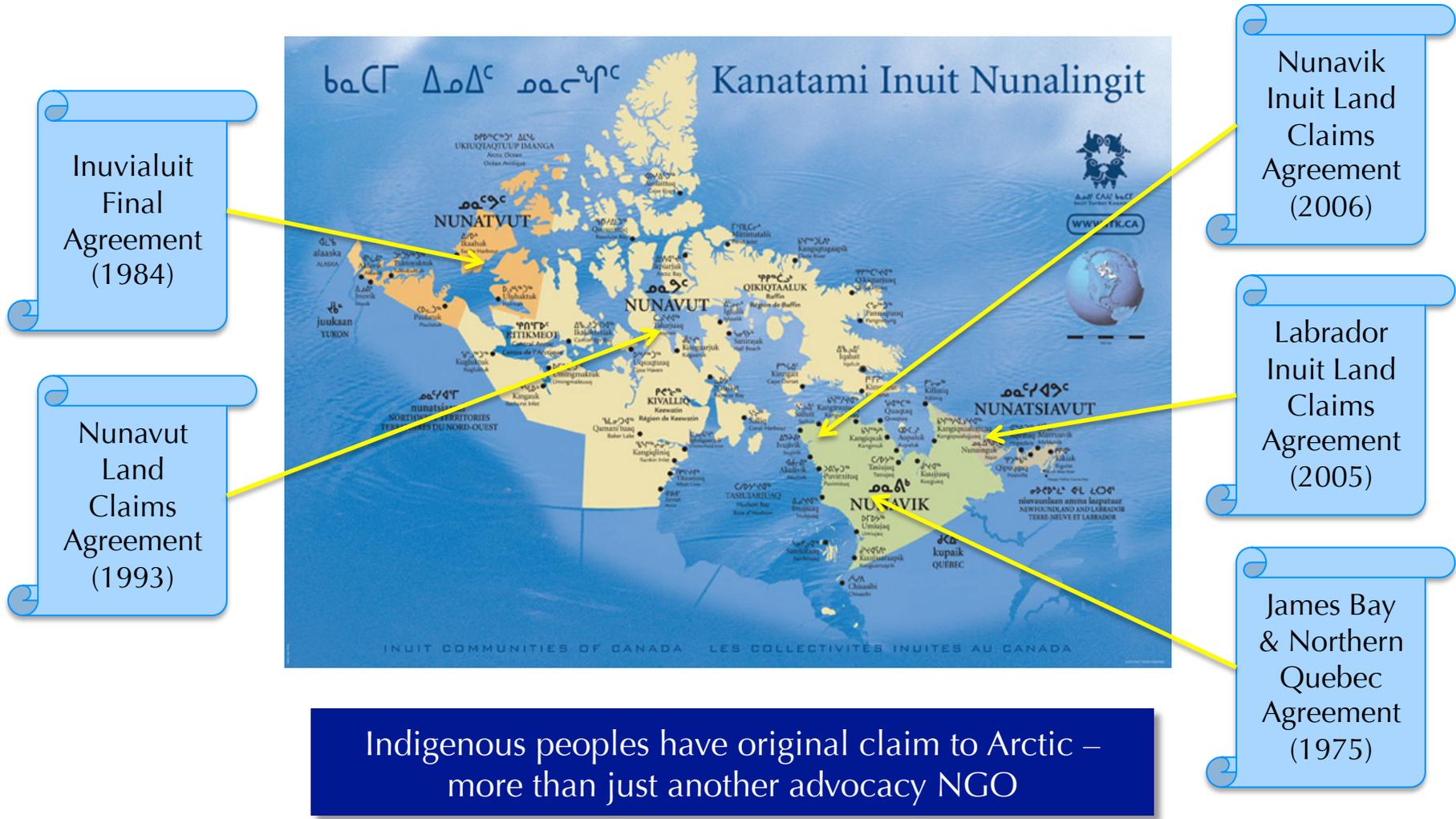
Many indigenous peoples recognised across Arctic, with six high-level groups permanent members of Arctic Council



Source: Norwegian Polar Institute/W. Dallmann

Many Arctic peoples have formalised and protected rights

Example: Inuit of Canada



Indigenous peoples have original claim to Arctic – more than just another advocacy NGO

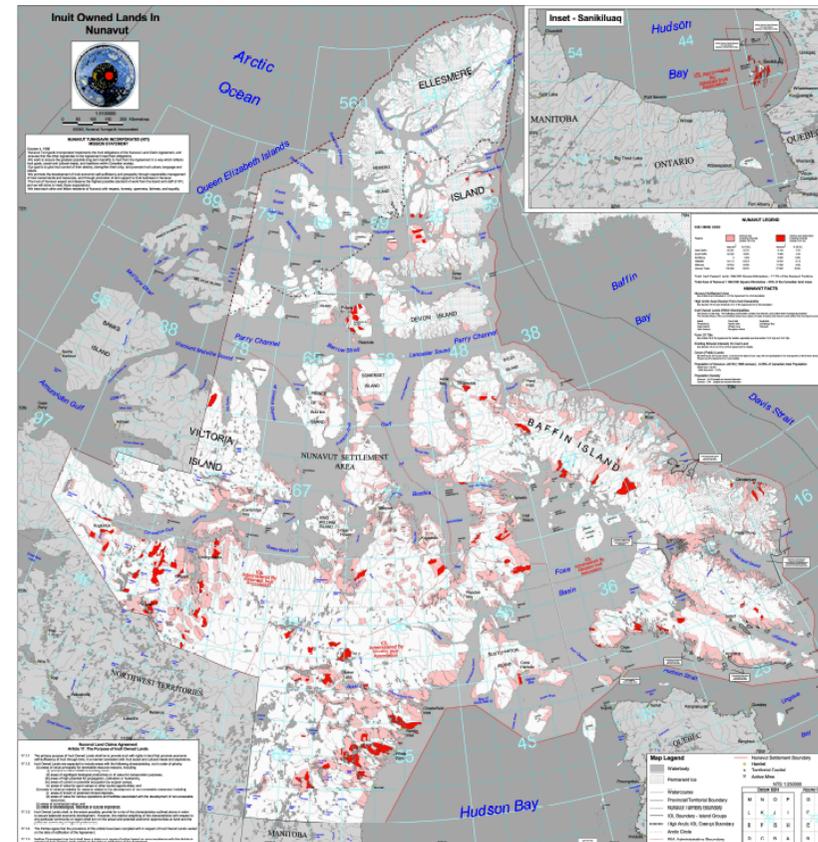
Source: Inuit Tapiriit Kanatami; Polar Aspect analysis

Indigenous rights are economic as well as cultural

Example: Inuit of Nunavut

Nunavut Land Claims Agreement (1993)

- Co-management with government of wildlife, land-use, water, development permitting and marine areas
- Extensive fee-simple title to land:
 - 318,086 sq km surface only excluding minerals (pink areas on map)
 - 37,882 sq km surface and subsurface including minerals (red areas on map)
- Share of Crown resource royalties
- Inuit impact and benefit agreements
- Preferential fisheries access
- Preferential government contracting



Indigenous peoples are economic players with interests well beyond subsistence harvesting

Source: Nunavut Land Claims Agreement, Nunavut Tunngavik Incorporated, Polar Aspect analysis

Arctic regulatory landscape is under construction or in flux, and indigenous peoples have formal role in shaping it

Selected recent and potential regulatory changes

- National level:
 - US Beaufort and Chukchi EEZ – moratorium on commercial fishing (2009)
 - Canada – devolution of land and resources to Northwest Territories (2013)
 - Canada and USA – increased liability caps for offshore drilling accidents
 - Greenland – introduction of mineral royalties, lift of ban on uranium mining
 - Norway – opening of Lofoten Islands area to offshore drilling
- International level:
 - Arctic Ocean – IMO Polar Shipping Code
 - Central Arctic Ocean “donut hole” – establishment of new Regional Fisheries Management Organisation

Example of indigenous influence: Nunavut Planning Commission (NPC)

- Established through land claim:
 - Co-managed by Inuit and government
 - Explicitly mandated to account for indigenous rights and local community interests in development plans
- Covers >50% of Canada’s vast Arctic land and marine area (internal and territorial waters):
 - Develops planning policies, priorities and objectives regarding conservation, development, management and use of land, waters and resources
 - Prepares plans which guide and direct resource use and development
- Recently released draft planning document for all of Nunavut

Source: Nunavut Planning Commission; Nunavut Land Claims Agreement; Polar Aspect analysis

In past, failure to account for indigenous rights and interests

Example: Mackenzie Valley Pipeline (MVP), Northwest Territories, Canada

MVP Timeline

- 1970 – MVP first proposed; aboriginal peoples opposed due to unresolved land claims
- 1974-77 – Berger Inquiry recommends shelving MVP for 10 years to resolve land claims
- 1980s – Energy prices slump; however, oil extraction on Alaska North Slope still profitable thanks to Trans-Alaska Pipeline
- 1984, 1992, 1993 – Inuvialuit, Gwich'in and Sahtu Dene land claim settlements
- 2000 – Aboriginal Pipeline Group formed
- 2004 – Industry renews proposals for MVP
- 2010 – MVP gets regulatory green light
- Today – Shale gas boom raises doubts about economic feasibility of \$16.2 bln MVP



If MVP had social license, then 30+ years of profitable gas development in Delta and Beaufort by now?

Source: Mackenzie Gas Project, Polar Aspect analysis

Industrial projects in Arctic can still founder today on questions of indigenous rights and interests

Matoush uranium (Quebec)

- Uranium exploration project in northern Quebec
- Strateco Resources awarded permit in 2010
- Quebec government committed to holding public hearings on uranium mining
- Cree people near Matoush strongly oppose project
- Quebec Environmental and Social Impact Review Committee will not approve project without Cree consent
- Strateco suing Quebec over “Cree veto” saying it amounts to “illegal transfer of power to third party”

Fosheim coal (Nunavut)

- Coal exploration project on Ellesmere Island
- Canada Coal awarded permit in 2012 and again in 2013
- Inuit community of Grise Fiord publicly oppose project
- Project permit initially declined in 2010 to previous applicant Weststar Resources, due to ecological and palaeontological concerns
- Grise Fiord says did not receive consultation papers until after comment period – government error?
- Canada Coal proceeding with 2013 season despite Grise Fiord’s objections

Arctic cross-sector coalition principles should provide guidance for industry in difficult cases like these

Source: Canada Broadcasting Corporation, *Nunatsiaq News*, Polar Aspect analysis

Arctic cross-sector coalition could begin formulating its principles using existing declarations of indigenous rights

- ILO Convention 169 (1989):
 - Early declaration of indigenous rights – paved way for UN Declaration below
- UN Declaration on the Rights of Indigenous Peoples (2007):
 - Indigenous peoples have economic as well as political, social and cultural rights
 - Principle of “free, prior and informed consent” regarding industrial development
 - Adopted at UN General Assembly by 144 countries
- Arctic indigenous peoples’ declarations – e.g.:
 - Rovaniemi Declaration (2008)
 - Circumpolar Inuit Declaration on Sovereignty in the Arctic (2009)
 - Circumpolar Inuit Declaration on Resource Development Principles (2011)

Essential to seek input on operating principles
directly from Arctic indigenous leaders

Thank you

Anthony Specca
Managing Principal
Polar Aspect Consulting

+1 416 420 1225 (Canada)
+44 7789 645685 (UK)

anthony.specca@polaraspect.com