



PAME REPORT TO SENIOR ARCTIC OFFICIALS



Espoo, Finland – 6-7 November 2001

TABLE OF CONTENT

MANDATE FROM BARROW	1
REGIONAL PROGRAM OF ACTION:	1
LEGAL ANALYSIS:	1
OFFSHORE OIL AND GAS GUIDELINES:	1
SHIPPING ACTIVITIES:	1
DEVELOPMENTS SINCE ROVANIEMI, JUNE 2001	2
REGIONAL PROGRAM OF ACTION:	2
RUSSIAN NPA-ARCTIC:	3
LEGAL ANALYSIS:	3
OFFSHORE OIL AND GAS GUIDELINES:	4
SHIPPING ACTIVITIES:	4
COORDINATION WITH OTHER WORKING GROUPS	5
AMAP	5
ACAP	5
CAFF	5
EPPR	5
PAME ADMINISTRATION AND MANAGEMENT.....	5
DELIVERABLES FOR THE 3RD ARCTIC COUNCIL MINISTERIAL.....	6
DEVELOPMENTS CALLING FOR SAO GUIDANCEERROR! BOOKMARK NOT DEFINED.	
APPENDIX I.....	1
OVERVIEW OF PAMEs WORKPLAN 2001-2002.....	1
APPENDIX II	1
POSSIBLE OPTIONS AND WAYS FORWARD ON RPA SPECIFIC ISSUES	1

MANDATE FROM BARROW

Regional Program of Action:

- Continue implementation and further development of the programme support elements for the Regional Programme of Action for the Protection of the Arctic Marine Environment from Land-based Activities (RPA).
- RPA activities to be expanded to more fully address impacts on the coastal zone.
- RPA to be used as a management framework for improved working group collaboration related to the protection of the Arctic marine and coastal environment.
- Continue to support the implementation and further development of the Russian NPA-Arctic in coordinating efforts with ACOPS, other international organizations and IFIs.
- support and participate in the Partnership Conference due to its important role in implementing the Russian NPA-Arctic and the RPA.
- Work towards better integration and coordination of RPA and ACAP activities to develop complementary activities.

Legal Analysis:

- Review and update as appropriate adequacy of existing international agreements and arrangements to assess the need for further action or instruments at international and/or national level to prevent pollution of the Arctic Marine Environment. To be completed by the next Ministerial meeting in the year 2002.

Offshore Oil and Gas Guidelines:

- promoting application of the 1997 Offshore Oil and Gas Guidelines and assessing the effectiveness and objectives of the Guidelines. Proposed amendments to the guidelines and other possible oil and gas measures to be recommended the next Ministerial meeting in the year 2002.

Shipping Activities:

- Continue analysis of shipping activities and its potential environmental risks for determine what, if any, additional Arctic shipping measures are required to determine what if any additional Arctic shipping measures are required. Recommendations for possible new shipping measures to be completed by the next Ministerial meeting in the year 2002.
- welcome further cooperation on those Guidelines, and welcome the snap shot analysis of maritime activities in the Arctic prepares by Norway for PAMA as a useful contribution for determine what, if any, additional Arctic shipping measures are required:

- Follow-up and promote completion and implementation of IMO Polar Guidelines for Ships Operating in Ice-Covered Waters.
- take note of the work being done in the International Maritime Organization (IMO) with the respect of the IMO Guidelines for Ships Operating in Arctic Ice-Covered Waters, welcome further cooperation on those Guidelines.

DEVELOPMENTS SINCE ROVANIEMI, JUNE 2001

PAME held its working group meeting in Moscow, Russian Federation, October 9-11, 2001 and the status of the Work Plan (Attachment I) is on schedule as presented below.

Regional Program of Action:

The implementation and programme support elements of the RPA are moving forward and the main updates regarding the RPA progress are as follows:

- Development of an Arctic Clearing-house on land-based activities is on-going by the PAME Secretariat. A new window to the PAME Homepage has been created and is in line with the format of the GPA Clearing-House format. There are currently links to other related websites and Arctic-specific information on POPs, heavy metals and radionuclides.
- PAME Communication Strategy was approved at the last meeting as a working document to be amended and updated in line with the development of PAME's Work Plan for 2002-2004.
- A 1st draft report on Capacity Building with the aim to address the main aspects of PAME's work was introduced at the last PAME meeting. It was agreed that further elaboration on this first draft should occur in the context of the outcome of the Arctic Council Capacity Building Workshop to be held 1-2 November 2001 in Helsinki, Finland and on any additional information from the next SAO meeting. The Second draft of the Capacity Building document will be prepared for distribution prior to the next PAME meeting.
- PAME is currently reviewing a paper presented by the Secretariat on possible options and ways forward in implementing RPA specific issues with respect to PAME's 2002-2004 Work Plan (Appendix II). But this process currently needs lead country/countries to come forth.
- PAME is currently coordinating efforts for a proposed poster presentation for the GPA Intergovernmental Review meeting to be held in Montreal, Canada 26-30 November 2001.
- PAME continues to participate in UNEP's annual meetings of Regional Seas Conventions and Action Plans in their efforts to strengthen these programmes as many of the issues and problems addressed have relevance to PAME's work.

Russian NPA-Arctic:

- The NPA Arctic had been adopted by the Ministry of Economic Development and Trade, in agreement with the Ministry of Natural Resources and Roshydromet This means that the NPA Arctic has now gone through the process of incorporation into the Russian institutional system of the Federal-Targeted Orientated Programmes (FTOP) “World Ocean” and been formally adopted.
- The Russian NPA-Arctic will be highlighted at the upcoming GPA Intergovernmental Review Meeting to be held 26-30 November 2001 in Montreal, Canada.
- The NPA-Arctic is an important component of the RPA implementation phase and is a part of PAME’s work plan. PAME’s involvement provides support to the NPA-Arctic and its associated GEF project through various means such as:
 - Financial contributions; and
 - planned roundtable meetings.
- The GEF Full Project Proposal has been approved for submission to the GEF Council at its meeting to be held 6-7 December, for its formal adoption.
- A draft paper on the involvement of the private sector in support of the implementation of the NPA-Arctic and its associated Partnership Conference has been prepared. It has been agreed that the preparatory process should include both the International Financial Institutions (IFIs) and the private sector. The precise configuration of roundtable meetings is still under discussion awaiting a concrete timetable linking the preparatory process to the convening of the Partnership Conference. The Partnership Conference and its preparatory process should build on past and existing experience and focus on discrete manageable aspects of the NPA-Arctic.

Legal Analysis:

- The first draft of summary documents for the update of the 1996 PAME recommendations are currently being review. The following lead country approach has been agreed to for this review:
 - Unites States – Dumping Activities
 - Norway – Shipping Activities
 - Denmark/Greenland - Offshore Oil and Gas Activities
 - Canada - Land-based Activities

A list of questions provided by Canada to facilitate the review of the adequacy of legal and non-legal measures for the protection of the Arctic marine environment is currently under review in an effort to finalize the document in time for the next Ministerial meeting, and for possible inclusion in the 2002-2004 PAME Work Plan.

Offshore Oil and Gas Guidelines:

- comments from Denmark/Greenland and Norway on the review of the 1997 Offshore Oil and Gas Guidelines are currently under review. It was agreed that the Guidelines be kept a separate document, the need for its periodic review and that it should be made more user friendly. Clarifications on suggested amendments with concrete proposals will be reviewed at the next PAME meeting.
- The update process is done in cooperation with other relevant working groups and organizations such as the Oil and Gas Producers (OGP), RUNARC and WWF.
- Last PAME meeting has a very productive exchange of information on the RUNARC program (Russia-USA Norway Offshore Oil and Gas Regime). The Meeting recognized the importance of an effective regulatory systems to deal with the expected growth in offshore oil and gas development in Arctic waters. To this end, PAME asked its chair to recommend that the Arctic Council Chair be in communication with the appropriate officials of the Government of the Russian Federation.

Shipping Activities:

- Norway is currently developing a proposal on ways to address ship generated waste to be discussed at the next PAME meeting.
- Canada as the lead country on developing Arctic Waters Oil Transfer Guidelines will form a new correspondence group by mid-November 2001. It is unlikely that these Guidelines will be completed in time for the next Ministerial meeting as initially planned but rather be presented in a draft format to the Ministers to indicate progress and its completion be included in the PAME Work Plan for 2002-2004.
- Canada provided an update of the status of the Draft Guidelines for Ships Operating in Arctic Ice-Covered Waters. These Guidelines will be finalized at the IMO Sub-Committee on Ship Design and Equipment meeting in March 2002, pending any further input. These Guidelines are intended to address additional provisions deemed necessary for consideration beyond existing requirements of the SOLAS Convention in order to take into account the climate conditions of Arctic ice-covered waters and to meet appropriate standards of maritime safety and pollution prevention.
- The Northern Sea Route (NSR) administration is currently developing a new set of regulations that will be adopted in the near future. To improve management structure and to increase effectiveness of NSR usage, the governmental Commission of the Russian Federation had made a decision to found an organization/enterprise (partnership) which will join efforts of all NSR users. The goal of this partnership is to provide safety on the NSR and to protect the environment and is interested in establishing contacts with other organizations such as the Arctic Council to explore possible cooperation.

COORDINATION WITH OTHER WORKING GROUPS

Working groups of the Arctic Council, ACAP, AMAP, CAFF and EPPR, have participated and reported at previous PAME meetings in an effort to increase the cooperation and avoid overlap between the working groups.

AMAP

Coordinating efforts with AMAP on the proposed poster presentation for the GPA Intergovernmental Review meeting to be held in Montreal, Canada 26-30 November 2001.

ACAP

Both ACAP and PAME recognize the importance of coordination of efforts in addressing pollution prevention and control issues. A joint letter by the Chair's of ACAP and PAME was presented at the last SAO meeting in an effort to increase efforts towards greater cooperation and coordination between ACAP and PAME leading up to the next Arctic Council Ministerial meeting.

CAFF

PAME Secretary will participate in the next CPAN (Circumpolar Protected Areas Network), Standing Committee meeting and report back to PAME at its next meeting. PAME's participation in CPAN is of particular interest in relations to habitat destruction in coastal areas.

Potential PAME participation in the preparation of the ACIA Policy Document, to be developed during 2002-2004. PAME's issues such as land-based activities and shipping activities need to be adequately covered in the ACIA scientific assessment of which the ACIA Policy Document will be built on.

EPPR

Coordination of efforts with EPPR, in particular on shipping activities, is its possible relevance to EPPR's current work on Circumpolar Map of Resources at Risk from Oil Spills in the Arctic.

PAME ADMINISTRATION AND MANAGEMENT

The PAME Secretariat received \$135,000 US through voluntary contributions for 2001, of which approximately half is provided by the Icelandic government. The operational costs for the calendar year 2000 was \$165,000 and the projected operational costs for 2002 is estimated to be \$156,000 US. The expected reduction in operational costs are due to start-up costs for the PAME homepage in 2000. The core staff consists of an Executive Secretary (100%) and an Administrative Assistance (40%) that is shared with the CAFF Secretariat.

The next PAME meeting is Scheduled to take place in Iceland, April 16-18, 2002. The meeting will finalize Ministerial deliverables and the 2002-2004 PAME Work Plan.

The PAME Secretariat maintains the PAME homepage and has recently published PAME Brochure.

DELIVERABLES FOR THE 3RD ARCTIC COUNCIL MINISTERIAL

PAME deliverables for the next Ministerial meeting are planned as follows:

1. Work Plan for 2002-2004.
2. Report on Review of Legal Analysis and the Offshore Oil and Gas Guidelines.
3. Report on progress and further development of the Regional Programme of Action for the Protection of the Arctic Marine Environment from Land-based Activities.
4. Update on shipping activities and report on progress on the developments of the Arctic Waters Oil Transfer Guidelines.
5. Progress on other PAME activities as appropriate.

APPENDIX I

Overview of PAMEs Workplan 2001-2002

RPA

- Support the RPA, Russian NPA-Arctic and Partnership Conference.
- Contribute to the 2001 GPA Intergovernmental Meeting.
- Contribute to the WSSD 2002.

Legal Instruments

- Update Matrix of International Agreements.
- Prepare a report on the status of 1996 PAME recommendations.
- Identify problems for which additional measures are needed and make recommendations.

Shipping

- Prepare Arctic Waters Oil Transfer Guidelines under the leadership of Canada.
- Consider a Norway proposal on ship generated wastes.

Oil and Gas

- Prepare an assessment of the application of the Arctic Offshore Oil and Gas Guidelines.
- Consider possible changes in the oil and gas guidelines and other measures.
- Consider ways in which the application of the oil and gas guidelines may be improved.

APPENDIX II

Possible options and ways forward on RPA specific issues

Regional Programme of Action for the Protection of the Arctic Marine Environment from Land-based Activities (RPA Sep. 1998)

The following Table includes excerpts from the RPA that might need further attention and/or actions. This could be used as one of the background documents in preparing the PAME Work Plan for 2002-2004 and the first step towards expanding the RPA to better address land-based activities in the context of sustainable development of the marine and coastal environment.

6.0 Setting Management Objectives, Strategies and Measures		
Location in RPA		Ways forward?
<u>Sections 6.4 & 6.5</u> <u>POP I.3/HM I.3:</u>	Draw that attention of international financial institutions (IFIs), of which they are a member, to the global aspects of POPs and heavy metals issues and, as appropriate, promote the participation of the IFIs in financing and partnership arrangements that are aimed at reducing adverse effects on human health and the environment.	<ul style="list-style-type: none"> Establish cooperation with and follow-up on the developments of the "Northern Dimension Environmental Partnership" among IFIs (NIB, NEFCO, EIB, EBRD, World Bank) and EC.
<u>Section 6.5</u> <u>HM R.2:</u>	Develop and adopt Arctic-wide environmental guidelines on opening, operating and closing mines in the Arctic Coastal Zone. Mining is defined as the extraction, milling and concentration of ore.	<ul style="list-style-type: none"> Identification of lead countries.

<p><u>Section 6.7</u></p>	<p>This initial phase of the RPA has focused on strategies and measures that can be taken in the short term to address urgent pollution problems such as those identified in the 1997 AMAP Assessment. In later stages, the RPA would be expanded to better address land-based activities in the context of sustainable development of the marine and coastal environment. This would be done with the collaboration of stakeholders and take into account the specific environmental, social and economic conditions of the Arctic.</p>	<ul style="list-style-type: none"> • Apply the LME approach • Update and identify relevant actions in accordance with AMAPs update on assessments (refer to Annex A) – Second phase of the RPA?
<p>7.0 Programme Support Elements</p>		
<p><u>Section 7.2 2nd bullet</u></p>	<p>Developing a reporting procedure and format for the assessment of the RPA implementation and effectiveness in collaboration with other working groups.</p>	<ul style="list-style-type: none"> • Explore existing reporting procedure from other working groups/organizations. • Outline suggested format.
<p><u>Section 7.3 5th bullet</u></p>	<p>Promote the application of risk assessment/cost-benefit analysis to pre-investment strategies for the priority actions identified, such as the work being done through the Barents Region Environment Programme and NEFCO</p>	<ul style="list-style-type: none"> • Review existing risk assessments/cost-benefit analysis to pre-investment strategies? • Develop general guidelines in cooperation with IFIs and other regional programmes?

<p><u>Section 7.3 7th bullet</u></p>	<p>Exploring innovative approaches to encourage multilateral financing agencies, including regional development banks, and national institutions for bilateral development to cooperate in programming and project implementation and to further explore innovative approaches to provide continuing and predictable programme funding for the priority actions identified (e.g., partnership meetings).</p>	<ul style="list-style-type: none"> • Addressed within the framework of the planned two round-table meetings in preparations to the Partnership Conference.¹
<p><u>Section 7.3 9th bullet</u></p>	<p>Encouraging the development and wide distribution of appropriate contingency plans for environmental accidents (particularly those involving oil, gas and chemical spills, and nuclear accidents), taking full account of emergency preparedness guidance and assessments within the Emergency Preparedness Prevention and Response (EPPR) Working Group and the broader international community.</p>	<ul style="list-style-type: none"> • Include in existing Offshore Oil and Gas Guidelines. • Develop new guidelines in coordination with EPPR – “Contingency plans for environmental accidents within the circumpolar Arctic”.

¹ It has been estimated, on the basis of extrapolations from programmes in other regions, that the final bill for activities in the Arctic could well ascend to \$40-50 billion. Therefore, our Russian colleagues are keen to promote not only innovative mechanisms such as the Round Tables and Partnership Conference, but also, to explore other possibilities. In particular, they are interested in exploring the reactions of the international community to the mechanism of debt-for-nature-swaps for the Russian Arctic.

ANNEX A

AMAP is currently working to produce update assessments according to the following schedule (table from the AMAP homepage at: <http://www.amap.no>).

Assessment Item	Year of Reporting (P rogress, I nterim, M ain)			
	Adopted		Tentative	
	2000	2002	2004	2006
Human Health	P(I)	M	I	M
POPs	P	M	I	M
Hg and other heavy metals	P	M	I	M
Radioactivity	P	M	I	M
Acidification	P	P	P	M
Oil and PAHs	P	P	M	P
TBT	P	P	M	P
Climate change effects	I	M	P	M
UV effects	I	M	P	M
Combined effects	P	P	M	P