



Arctic Economic Council Secretariat's  
**Annual Report 2017**

## Fostering Circumpolar Business

The establishment of the Arctic Economic Council was facilitated by the Arctic Council during the 2013-2015 Canadian chairmanship. The AEC is an independent organization created to facilitate Arctic business-to-business activities and responsible economic development. Through the sharing of best practices, standards and innovative Arctic Solutions the AEC is the primary forum for interaction between the Arctic Council and the wider circumpolar and non-Arctic communities.

Our member representation includes a diverse collection of business industries that operate in the Arctic – from mining to energy and shipping companies to telecommunication

and indigenous economic development corporations. This mix of interests ensure that our work is carried out in an inclusive and sustainable manner for the betterment of the Arctic communities that we represent.

Businesses are what drives economic development throughout the circumpolar region, but operating in the Arctic presents unique challenges compared to other areas of the world. Since its inception, the AEC has worked to ensure that relevant information is collected, disseminated and acted upon in order to ease and enhance business-to-business connection that promote responsible Arctic investment and growth.

### The Five Overarching Themes – Core of the AEC's work:

The five overarching themes form the backbone of the AEC's actions.  
They were identified by the circumpolar business community.

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|---|--|
| i. Establishing strong market connections between Arctic states.                        | iv. Facilitating knowledge and data exchange between industry and academia.        |
| ii. Promoting stable and predictable regulatory frameworks.                             | v. Traditional knowledge, stewardship and small and medium enterprise development. |
| iii. Encouraging the use of public-private partnerships (P3) in infrastructure building |  |

### VISION

To make the Arctic a favorable place to do business.

### MISSION

To facilitate sustainable Arctic economic and business development.

[www.arcticeconomiccouncil.com](http://www.arcticeconomiccouncil.com)

# The AEC Secretariat year in events:



2017 – 2019

## **Finnish businesses' chairmanship priorities**

Photo: Archè Photography

The Finnish Business Community's Chairmanship of the AEC started in May 2017. They will advance the five overarching themes of the AEC and prioritize action towards:

**Interconnected Arctic** supporting cooperation with major infrastructure projects, coverage, shared services, and synergies between the AEC and other Arctic actors.

**Competent Arctic** supporting public-private cooperation and shared services between business and academia, digital solutions and mobility of students, researchers and work force, mobilizing and promoting the Arctic know-how with the help of high-level Arctic Ambassadors from different sectors of society.

**Safe Arctic** supporting prevention, preparedness, emergency services, occupational safety, predictable regulation, high environmental standards, and the identification and removal of barriers for sustainable Arctic business development.

The Finnish Business chairmanship themes are well aligned with the Finnish Arctic Council chairmanship priorities.



JANUARY 2017

## **Arctic Frontiers Tromsø, Norway**

Photo: Arctic Frontiers/Alberto Grohovaz

The AEC Infrastructure: Telecommunications Working Group presented their work product, a report named «Arctic Broadband – Recommendations for an Interconnected Arctic», at the AEC side event at Arctic Frontiers conference in 2017. This was the first work product presented by an AEC Working Group, and the first comprehensive Arctic broadband report.

The full report can be found here:

[https://arcticeconomiccouncil.com/wp-content/uploads/2017/02/AEC-Report\\_Final-LR-1.pdf](https://arcticeconomiccouncil.com/wp-content/uploads/2017/02/AEC-Report_Final-LR-1.pdf)

In addition, the AEC Chair Tara Sweeney spoke at the Arctic Frontiers Business plenary, as well as at the Kick-off Norwegian Presidency of the Nordic Council of Ministers.



Read the comprehensive Arctic broadband report report.



FEBRUARY 2017

### **AEC Governance Committee Meeting Saint Petersburg, Russia**

Photo: Sovcomflot

The second Governance Committee (GC) meeting of the Arctic Economic Council took place in Saint Petersburg, Russia. The AEC Governance Committee consists of one representative from each of the eight Arctic States and six Permanent Participant organizations of the Arctic Council.

The program for the visit by AEC members to Saint Petersburg included a meeting with the City's Governor, Georgy Poltavchenko, a visit to the Arctic and Antarctic Research Institute, as well as meetings with other Russian business and institutions. The meeting was graciously hosted by Sovcomflot.

The Governance Committee also received a greeting from the Russian Minister for Foreign Affairs, Mr. Sergei Lavrov, offering support to the work of the AEC. Read it here.

[http://www.mid.ru/en/foreign\\_policy/news/-/asset\\_publisher/ckNonkJE02Bw/content/id/2631078](http://www.mid.ru/en/foreign_policy/news/-/asset_publisher/ckNonkJE02Bw/content/id/2631078)



MAY 2017

### **Arctic Economic Council Annual Meeting Fairbanks, United States**

Photo: AEC

The AEC Annual Meeting was held in Fairbanks, Alaska on May 8-9, 2017. The meeting represented the end of the two-year American Chairmanship of the AEC. At the end of the Annual Meeting, the Finnish Business Community took over the AEC Chairmanship and the new AEC gavel.

The Arctic Economic Council took significant action by endorsing the intent of the Arctic Investment Protocol, originally developed by the World Economic Forum. The protocol is the work product of the recently disbanded World Economic Forum (WEF) Global Agenda Council on the Arctic. WEF approached the AEC to assume ownership of the investment framework and the delegates voted to embrace the concept and begin negotiations with WEF to transfer the intellectual property.



Read greeting from the Russian Minister for Foreign Affairs, Mr. Sergei Lavrov here





JUNE 2017

## 2nd Top of the World Arctic Broadband Summit Oulu, Finland

Photo: City of Oulu

The event gathered more than 100 policy leaders, tech industry experts and other executives to discuss the need and potential for broadband across the circumpolar Arctic, and how to best prepare for the many opportunities and even challenges the new technology will bring with it.

The Top of the World Arctic Broadband Summit is a platform for interaction between the business, policy and academia and is as such in line with previous events organized by the Arctic Economic Council. The event was hosted in collaboration with Business Oulu and the City of Oulu.

A keynote speech was delivered by Mr. Karmenu Vella, Commissioner, Environment, Maritime Affairs and Fisheries, European Commission.

You can find Commissioner Vellas speech here:

[https://ec.europa.eu/commission/commissioners/2014-2019/vella/announcements/2nd-arctic-economic-council-top-world-arctic-broadband-summit-panel-3-visions-future\\_en](https://ec.europa.eu/commission/commissioners/2014-2019/vella/announcements/2nd-arctic-economic-council-top-world-arctic-broadband-summit-panel-3-visions-future_en)



Find Commissioner Vellas speech here



OCTOBER 2017

## Arctic Circle Reykjavik, Iceland

Photo: Linnea Nordström

"Economic development, innovation and entrepreneurship in the Arctic" was on the agenda for the joint breakout session the Arctic Economic Council organized together with the Nordic Council of Ministers in Reykjavik at the Arctic Circle conference. More than 100 people gathered at the breakout session where stakeholders in the field of business development and investments discussed the sustainable business development in the Arctic. The aim of the AEC-NCM breakout session at the Arctic Circle Assembly was to both present and test the preliminary findings of the Arctic Business Analysis, and to solicit feedback for the final analysis.

The final analysis can be found here:

<https://arcticeconomiccouncil.com/press-release-arctic-economic-council-nordic-council-ministers-release-arctic-business-analysis/>



Read the final analysis here.

# Message from the Director

2017 marked the second fully operative year of the AEC Secretariat. While strengthening the organization's operations has been a high priority, we have also focused on increasing knowledge about the AEC. Together with the members of the Executive Committee, the full membership as well as our Working Group representatives, we conducted approximately 70 outreach efforts during 2017. Going forward, continuing our outreach efforts to increase the knowledge of our work and gain better understanding of the AEC will be a priority.

Based on the amount of meeting requests and briefings, the AEC Secretariat has managed to establish itself as the point of contact for the organization. We have met with stakeholders representing academia, regions and regional development organizations, businesses, diplomacy, different ministries, governments and others interested in Arctic and the work of the AEC.

2017 saw the launch of the AEC's first work product when the Telecommunications Working Group launched its report "Arctic Broadband – Recommendations for an Interconnected Arctic". Being the first of its kind, the report provided a strategy for broadband development across the Arctic. This report serves as an excellent foundation for the AEC's continued work within connectivity. Another tool in the AEC's work is the Top of the World Arctic Broadband Summit, a meeting gathering policy decision-makers, business leaders, technology experts and representatives of academia.

The 2017 Top of the World (TOW) Arctic Broadband Summit held in Oulu, Finland was the second of its kind and a proof that the concept has been well-received. Organizing the 2017 TOW Summit back-to-back with the European Union's Arctic Stakeholder Forum provided us with an opportunity to enhance our ties with the EU. We were very pleased to host Commissioner Karmenu Vella at our TOW Summit.

The AEC's high level of activity in 2017 was topped with our first event outside the Arctic region. In December 2017, we organized a joint event with the Korean Ministry for Foreign Affairs in Seoul. We are very grateful to the Ministry of Foreign Affairs of Korea for their support and partnership in organizing this seminar.

The AEC Secretariat together with the organization's Executive Committee continued to convene for our monthly phone meetings during 2017. These meetings provide valuable input to the AEC's work and have been especially useful as we started the preparations for the new AEC Strategic Plan.

Being still a rather newly created organization, the AEC has continued its efforts in developing meaningful partnerships. The Arctic Council Fairbanks declaration provides a good platform for enhanced collaboration between the AEC and the Arctic Council. The AEC is represented in the Arctic Council Sustainable Development Working Group (SDWG) project working on Arctic Environmental Impact Assessment (Arctic EIA).

One of the major efforts in 2017 was the making of the Arctic Business Analysis, a joint project between the Nordic Council of Ministers and the AEC. The preliminary findings of the analysis were presented at a joint seminar in October 2017 while the report itself was launched at the beginning of 2018. We will continue to assess incoming collaboration proposals on a monthly basis.

Some of the highlights of 2017 included welcoming 7 new Arctic and Permafrost Partners to the organization. These new members bring an important addition to the AEC's work and help strengthen our representation in both Arctic and non-Arctic countries.

In 2017, the AEC has been able to witness great interest towards our work. Reaching such a high level of activity would not have been possible had it not been for the support of our members as well as our partners. On behalf of the AEC Secretariat, I'd like to extend our sincere gratitude to all those with whom we have had the pleasure of working with during 2017. We will continue the work for the betterment of the pan-Arctic business-to-business ties and the conditions for responsible economic growth. Our work will also in the future be based on the business community's needs, and I look forward to continued collaboration with the AEC members and our partners to reach our common goal: making the Arctic a favorable place for responsible business.



Anu Fredrikson

Director, Arctic Economic Council Secretariat

# 2017 in numbers

## At a glance statistics



