

ORGANISATION  
FOR ECONOMIC  
CO-OPERATION  
AND DEVELOPMENT



ORGANISATION DE  
COOPÉRATION ET  
DE DÉVELOPPEMENT  
ÉCONOMIQUES



**Policy Workshop "Indigenous economic development in the European Arctic"**  
**Tuesday 5 June 2018, Brussels**  
**Proceedings**



The objective of the workshop is to learn from representatives of European Arctic Indigenous peoples about good practices and lessons related to economic development and shape policy assessment and recommendations<sup>1</sup>. The proceedings of the event will be published by the Organisation for Economic Co-operation and Development (OECD) and form an output of the **Linking Indigenous Communities with Regional Development Project** ([link](#)). The goal of this project is to develop policy recommendations that improve economic development outcomes for indigenous people by better linking them with regional and rural development efforts. The Agenda for the workshop is at **Appendix A**.

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<sup>1</sup> This is not a verbatim record of the meeting. The Organisation for Economic Co-operation and Development has prepared this summary record and provided an opportunity for participants to comment on it. For more information please contact [chris.mcdonald@oecd.org](mailto:chris.mcdonald@oecd.org)

### Key reflections to inform the OECD project from the workshop:

- Local municipalities, regions and countries that have Indigenous populations should implement a development model which is inclusive of their values and interests.
- An essential precondition to achieving this outcome is engagement with Indigenous peoples to understand the meaning of development from their perspective (e.g. strengthening culture, relationship with the environment, access to traditional territories) and incorporating it into local, regional, and national policy settings.
- If this engagement is weak or absent it results in mismatches between Indigenous values and interests and the design and implementation of public policies (regulations, funding, and institutional capacity) - over time this contributes to the erosion of traditional livelihoods, and Indigenous culture and languages.
- Participants identified a number of priorities to better support Indigenous economic development and well-being in a European context:
  - Improve the quality of statistics about Indigenous populations and economic activities - this has to be led by Indigenous institutions to ensure control over how data and information are collected and used.
  - Promote Indigenous businesses by providing targeted grants and concessional loans that address problems related to lack of finance, and initiatives that build business competencies and networks.
  - Strengthen the implementation of the principle of “Free Informed and Prior Consent” with early participation and clear rules of engagement, the incorporation of socio-cultural factors into environmental assessment, sufficient monetary and non-monetary compensation for Indigenous participation, and mechanisms to assess the cumulative impacts of development on traditional territories.
  - Strengthen the capacity for Indigenous peoples to influence decision-making through the provision of sustainable funding for Indigenous institutions, support for Indigenous leaders, clear rules of engagement which give enough time and conditions for Indigenous people to participate, and cultural sensitivity and expertise within public institutions (from local to supra-national levels) to respect Indigenous values, interests and perspectives.

### 9am – 10am: Welcome and opening remarks

**João Aguiar Machado**, Director General for Maritime Affairs and Fisheries, European Commission, provided welcoming comments and outlined the **European Union’s Arctic Policy** ([link](#)). The policy is based on 3 pillars: (i) Addressing climate change and protecting the Arctic environment; (ii) Promoting sustainable development in the European Arctic; and, (iii) Fostering international cooperation on Arctic matters. A key part of the EU's Arctic policy is the annual Arctic Indigenous Peoples Dialogue and the Arctic Stakeholder Forum. The latter has highlighted themes such as the importance of encouraging sustainable economic activities, safeguarding culture and language, supporting environmental protection and research on climate change impacts, and improving connectivity including access to broadband. **The EU remains committed to raising awareness about Indigenous peoples’ issues and looks forward to the next Arctic Indigenous Peoples’ Dialogue in September 2018.** Indigenous peoples' concerns about the possible impacts of activities and projects in the Arctic should be taken seriously. A number of instruments already

exist at EU level for assessing impacts (e.g. environmental impact assessments) and the EU also supports the development of best practices and exchange of knowledge.

**Åsa Larsson Blind**, President of the Saami Council ([link](#)) began by identifying that **national priorities for economic development often collide with Sami society priorities and needs**. Sami territories are under pressure from these developments, the threat of climate change, and policies and regulations that do not match Sami needs and objectives for development. EU regulations related to predators and small-scale meat production exemplifies this challenge. Sami society should have greater influence in the planning process and decision-making, which is also dependent on stronger Sami institutions. A stronger Sami society can deliver benefits for the northern regions of Norway, Sweden and Finland. The workshop was welcomed as an opportunity to put a Sami perspective at the centre of the discussion.

**Tuomas Aslak Juuso**, Vice President, Sami Parliament of Finland ([link](#)) identified the **principle of self-determination for Indigenous peoples** and the need for **rights to land** to be respected before discussions about economic development. There is room to improve dialogue with the European Union which has been a challenge because of the lack of resources and capability to engage systematically. Sami representation in Brussels is one of the main priorities. This workshop is a good opportunity – but in future there needs to be more concrete ways for the Sami to be involved at the European Union level.

**Silje Karine Muotka**, Member of the Governing Council, Sami Parliament of Norway ([link](#)) indicated the need to renegotiate the meaning of development in the Arctic based on **fair and sustainable future opportunities for the Sami people**. The European Arctic is the home of the Sami people, who are the main stakeholders in the north. Development strategies in the north need to respect the traditional livelihoods and values of the Sami. Sami industries such as food production, creative industries, and tourism development already make an important contribution to the economy of northern Norway.

**Stefan Mikaelsson**, Chair of the Livelihood Committee, Sami Parliament of Sweden ([link](#)) spoke about the historical context regarding the recognition of Sami rights. In 1751 the borders between Denmark-Norway and Sweden were defined. The Sami Nation was given rights in this treaty and this is still a valid document today. The **Sami people have a model of development which is sustainable** and can provide lessons for today. He noted that Indigenous peoples are not the problem – they are part of the solution.

**Mininguak Kleist**, Head of Greenland Representation to the European Union ([link](#)) noted the importance of understanding that Greenland is a self-governing territory and the Inuit constitute 90% of the population. **Economic development related to tourism, energy and minerals extraction are priorities for the people of Greenland**. Realising these opportunities will require improved education and infrastructure, and measures to attract foreign investment. The traditional activities of the Inuit people also play a key role in the business, culture, and subsistence of smaller communities.

## 10:00- 10.30: Linking Indigenous Communities with Regional Development – project overview

**Chris McDonald**, Policy Analyst, OECD gave an overview of the **Linking Indigenous Communities with Regional Development Project** which is focused on four themes: (i) better data and information about Indigenous economic development and well-being; (ii) land governance and Indigenous economic development; (iii) support for Indigenous entrepreneurship; and (i) multi-level governance and strengthening capacities. The project will deliver two main outputs. The first is a global study that will capture lessons, good practices from across countries to set some guidelines/principles about better policies for Indigenous economic development. The second is a series of country case studies (starting with Australia, Canada and Sweden) that will provide recommendations to deliver better economic development outcomes for Indigenous peoples in those countries. Some initial observations were made about our country case study for Sweden, which included the following preliminary policy directions:

- Strengthen the role of the Sami Parliament as a statistical agency, and increase research about the Sami economy
- Allow Sameby to diversify, establish a mechanism to improve access to finance for Sami businesses, and provide support for Sami-led clusters
- Develop/ implement procedures for engagement, expand co-management of land, and strengthen inclusion in strategic spatial planning

The following **expectations about the event** were also outlined:

- Identify opportunities/lessons, challenges and risks, and priorities for policy change (EU, national, sub-national)
- Open and respectful dialogue led by Indigenous representatives to build mutual understanding
- Produce a standalone product that documents the discussion, which we can incorporate into our study
- Build a global network of people interested in improving policies and practices for Indigenous economic development

## 11.00 – 12.30: Panel discussion – participation in decision-making about development

The panel discussion was framed around three questions, and the main themes are outlined below.

*What are the key economic development opportunities and challenges for Indigenous peoples in the Arctic?*

In terms of **opportunities**, the Indigenous economy is increasingly diverse and can be characterized in the following way: (i) traditional livelihoods related to reindeer herding, fishing, and hunting; and, (ii) businesses founded in cultural and creative industries (handicrafts, tourism and food). Indigenous-owned businesses also have a relatively smaller environment footprint – the “circular economy” may be a new concept in policy discussions, but Indigenous people in the Arctic have practiced it for thousands of years. Indigenous people have shown enormous flexibility and resilience in adapting to the Arctic environment and climate. The world can learn about Indigenous ways of life to better manage environmental challenges. Indigenous people are also increasingly better connected through digital technologies, and this is generating new ways to access markets and public services.

In terms of **challenges**, there are external factors which are impacting on Indigenous livelihoods and well-being. Climate change is a key challenge which is already impacting traditional livelihoods and access to resources. There is also a lot of competition from companies coming from the outside to invest in large scale energy projects and minerals extraction who do not share the same values about development. National governments also see opportunities for infrastructure to increase access to resources and markets – but this negatively impacts on traditional livelihoods and Indigenous territories. These pressures also reduce opportunities for young people who are leaving and often do not return.

*What are the good practices and gaps in regards to the participation of Indigenous peoples in decision-making about economic development at EU, national and regional levels?*

Some **good practices** were identified such as the annual Arctic Indigenous Peoples Dialogue organized by the European Commission, dialogue between Sami Parliaments and counties in northern Norway and Sweden, and the implementation of a duty to consult in Norway. However a number of **gaps, barriers and challenges** were identified:

- Lack of understanding about decision-making processes amongst Indigenous institutions, who to engage with, and at what points;
- Lack of resources to support participation of Sami institutions in decision-making;
- Weak recognition of Indigenous peoples as rights holders, and enforcement of legal obligations which already exist; and,
- Lack of awareness and opportunities to meaningfully address Indigenous issues at regional, national and EU levels.

As a result Indigenous peoples in the Arctic feel they have limited scope to influence decision-making about development. They feel that projects and regulations that affect their daily lives are implemented without their input and approval.

*What are the priorities for the future?*

Indigenous representatives expressed a desire for a **stronger engagement with the EU**, which includes a permanent voice for Indigenous people at the EU level, an Indigenous policy within the EU (to complement its focus on Indigenous issues in international co-operation and development) ([link](#)), and opportunities to shape the next EU Cohesion Policy such as better access to funds for traditional livelihoods. Indigenous peoples also need specific mechanisms to support economic development that are controlled and led by Indigenous institutions. They need to be more closely involved in shaping regional development strategies. Access to finance, programs to build business competencies, and cross-border initiatives to support sustainable tourism development were identified as priorities.

### **13.30 – 15.00 - Parallel policy dialogues**

Four policy dialogues were convened that each focused on one of the following questions:

A background brief was provided on each of these four topics by the OECD prior to the workshop to inform discussions (Appendix B).

### 1. *What is Indigenous economic development?*

Discussions about economic development are controlled by outsiders so the first step is identifying the meaning of development from an Indigenous perspective. An Indigenous perspective on development emphasises that businesses are linked to traditional livelihoods and culture, should be in balance with the natural environment, and ensure continued access to traditional territories and resources. Family and kinship relations are important to how businesses operate, and resources are distributed. **Indigenous economic development also needs to be consistent with principles of self-determination.**

Indigenous economies are not well understood and the quality of statistics and research is generally poor. Statistics about the Sami are restricted because they relate to the occupation of reindeer herding. Mainstream measures of economic participation and businesses do not recognise the role of kinship relations, subsistence hunting and fishing, and how Indigenous people combine traditional livelihoods with participation in the formal economy. The quality of data and information is also shaped by the mistrust that Indigenous people may have in public institutions. Again, this emphasises the **principle of Indigenous self-determination in terms of control over how data and information is collected and used.**

### 2. *How can economic development policies and programmes better support Indigenous entrepreneurship and livelihoods?*

The first step for policy makers is to **better understand how Indigenous economies work.** Indigenous businesses in the Arctic tend to be small scale, family-operated and linked with traditional livelihoods and culture. Business activities are shaped by seasonal changes and traditional obligations. These businesses are important to the sustainability of rural communities, and in the provision of jobs and social support. Because they offer unique products and services they can also be globally integrated, and a good example is recent trends in Sami tourism. A number of proposals were identified to shaping policies and programs to support Indigenous entrepreneurship and livelihoods:

- Targeted/ earmarked economic development policies and programs should be available and delivered by Indigenous institutions
- Availability of grants and concessional loans that address problems related to lack of finance
- Programs that build capacity (business competencies, places to meet/ business incubators, and clusters), particularly for young people
- The need to improve information and data about Indigenous businesses and economic participation, including through collaboration with universities

### 3. *How can we improve the governance of land and natural resources for Indigenous peoples?*

This group focused on land rights and governance arrangements for the Sami in Norway, Finland and Sweden. The legal framework for land rights differs across the three countries:

- In Finland the Sami homeland covers the three northernmost municipalities, and in this area there is an obligation to negotiate changes in land use. Reindeer herding can be practiced by Sami and non-Sami.

- In Sweden, Sami rights to use land are enshrined in the Reindeer Husbandry Act and membership of a Sameby (institution established to manage reindeer herding in a defined geographic area).
- In Norway, rights to land are governed by the Reindeer Act which divides territory into districts. In Finnmark, land use is governed by the Finnmark Act that establishes a co-management model between the Sami Parliament of Norway and Finnmark County.

Across the three countries, **Sami rights to land co-exist with other land users** (energy, forestry, and mineral extraction). Over time, there has been an **increase in the intensity and coverage of these industrial activities**, which have put greater pressure on Sami livelihoods and cultural practices. Decisions about land use are made at the national level. Participants identified a number of proposals to improve the governance of land and natural resources for Indigenous peoples:

- Resolve land rights issues in line with the principles of ILO 169 and UNDRIP
  - Ensure early participation in the permitting process, which should be governed by pre-defined rules of engagement with Indigenous peoples
  - Include socio-cultural factors/ impacts in development and environmental assessment
  - Provide better monetary and non-monetary support for Indigenous peoples to participate in planning and decision-making about development
  - Establish a mechanism to assess the cumulative impacts of development on traditional territories
4. *How can we develop a more coherent approach to policies that support Indigenous economic development and empower Indigenous organisations?*

Participants began by discussing the capacity issues related to decision-making for Indigenous peoples. **Indigenous institutions face sustainability and capacity challenges because funding is project specific**. This constrains their autonomy and capacity to participate in decision-making in a meaningful way. There are also gaps amongst local, regional, national and EU institutions in terms of expertise and capacity to engage with Indigenous peoples. Indigenous participants then identified that the **legal frameworks regarding duty to consult are weak** relative to the stated principles of Free, Informed and Prior Consent ([link](#)). Cross-border collaboration is one area where advancements have been made in regards to the Nordic Saami Convention and the work of the Arctic Council and its Indigenous Peoples Secretariat ([link](#)). The strength of the Arctic Council is that it is a consensus body and Indigenous peoples are represented in the decision-making process. The following proposals were identified to improve decision-making for Indigenous economic development:

- Shift from project to core (flexible) funding for Indigenous institutions
- Improve awareness about Indigenous peoples issues at a European level and their capacity to engage with the EU
- Provide training opportunities to build the capacity of Indigenous institutions in local and regional economic development

## **Wrap-up, summary and closing remarks**

Representatives of Indigenous peoples and institutions highlighted their shared values and unity, and that **Indigenous people can and should promote their own economic development**. The OECD work can help facilitate dialogue about shared lessons and present a common framework for advancing Indigenous economic development across countries.

The **OECD thanked participants for their input**, and pointed out some of the issues raised including the need for Indigenous-led definitions of development, improvements in legal frameworks and support for decision-making about economic development, and the importance of economic development initiatives that are led by Indigenous institutions. The OECD informed about the **next steps** of the project, which are a workshop to discuss preliminary results, as well as a session in the OECD Working Party on Rural Policy to present the case study of Sweden, both in Paris in November 2018.

The Directorate for Maritime Affairs and Fisheries (DG MARE) noted that the issues discussed touched on the responsibilities of different Directorates-General within the European Commission and other services and that it was necessary to engage in cross cutting actions with them. Although there was scope to improve information exchange and feedback loops with Indigenous representatives, it also **crucial that issues are addressed at the right governance level** (e.g. Cohesion funding is spent according to national priorities defined by the EU Member States, in accordance with the framework set out at EU level).



## APPENDIX A: WORKSHOP AGENDA

### AGENDA

Policy Workshop "Indigenous economic development in the European Arctic"  
Tuesday 5 June 2018  
Brussels

**8:30– 9:00**      **DELEGATION ARRIVALS / REGISTRATION**

Welcome coffee

**9:00– 10:00**      **POLICY WORKSHOP**

Welcome and opening remarks - **João Aguiar Machado**, Director General DG Maritime Affairs and Fisheries, European Commission

- **Åsa Larsson Blind**, President Saami Council
- **Tuomas Aslak Juuso**, Vice-President, Sami Parliament of Finland
- **Silje Karine Muotka**, Member of the Governing Council, Sami Parliament of Norway
- **Stefan Mikaelsson**, Chair - Business Committee, Sami Parliament of Sweden
- **Mininguak Kleist**, Head of Representation, Greenland Representation to the EU

**10:00- 10.30**      **Linking Indigenous Communities with Regional Development – project overview**

- **Chris McDonald**, Policy Analyst, Organisation for Economic Co-operation and Development (OECD)

**10.30 - 11.00**      **Break**

**11.00 – 12.30**      **Panel discussion – participation in decision-making about development-** Facilitator: **Chris McDonald**, Policy Analyst, Organisation for Economic Co-operation and Development (OECD)

- **Elle-Merete Omma**, EU Coordinator, Saami Council
- **Tuomas Aslak Juuso**, Vice-President, Sami Parliament of Finland
- **Solveig Ballo**, Head of Section - Business and Industry development, Sami Parliament of Norway
- **Matilda Månsson**, Adviser, Sami Parliament of Sweden
- **Mininguak Kleist**, Head of Representation, Greenland Representation to the EU
- **Agneta Granström**, Vice-Chair, Regional Executive Committee, Region Norrbotten
- **Bjørn Olav Megard**, Director General, Department of Sami and Minority Affairs, Norway
- **Lena Lind**, Deputy Director, Ministry of Enterprise and Innovation, Sweden

**12.30 – 13.30**      **BUFFET / LUNCHEON**

### 13.30 – 15.00 **Parallel policy dialogues**

Workshops will be convened that focus on one of the following questions:

- What is Indigenous economic development? Facilitator: **Åsa Larsson Blind**, President Saami Council
- How can economic development policies and programmes better support for Indigenous entrepreneurship and livelihoods? Facilitator: **Chris McDonald**, OECD
- How can we improve the governance of land and natural resources for Indigenous peoples? Facilitator: **Lorena Figueiredo**, OECD
- How can we develop a more coherent approach to policies that support Indigenous economic development and empower Indigenous organisations? **Veronica Slajer**, North Star Group

A background brief will be provided on each of these four topics by the OECD prior to the workshop to inform discussions.

### 15.00 – 15.30 **Break**

### 15.30 – 16.30 **Parallel policy workshops – feedback and discussion**

- Facilitator: **Lorena Figueiredo**, OECD
- Nominated spokesperson from each group

### 16.30 - 17.00 **Wrap-up, summary and closing remarks**

- **Lars-Anders Baer**, Special Adviser to the Sami Parliament of Sweden and Chair, Working Group of Indigenous peoples, Barents Council
- **Mininguak Kleist**, Head of Representation, Greenland Representation to the EU
- **Fiona Harford**, DG MARE
- **Chris McDonald**, OECD

### 17.30 **FINAL SESSION ENDS / DELEGATIONS DEPART**

## **APPENDIX B: BRIEFINGS FOR THE POLICY DIALOGUES**

### **Group 1: Policy dialogue on Indigenous economic development**

#### **Objective**

To identify shared lessons, good practices and potential policy directions to shape the global OECD study, provide insights for our country case study of Sweden, and inform the proceedings of this event.

#### **Key question and scope**

What is Indigenous economic development? This includes addressing issues about objectives and criteria for development, strategic challenges and opportunities related to Indigenous livelihoods, and how to measure economic development and well-being.

#### **Preliminary OECD Framework**

Over the past three decades the OECD has developed a regional and rural development policy approach based on the identification and assessment of good practices across member countries. This approach is designed to enable regions to identify assets and work in partnership with other levels of government to mobilise their potential. This recognizes that there are a wide variety of development contexts across national territories (e.g. metropolitan, smaller cities, rural remote areas).

Indigenous economies can have unique characteristics. Some of the key factors shaping Indigenous economies are: social forms of organisation based around kinship; customary activities and traditional livelihoods; and, businesses linked to collective forms of self-determination and sustaining indigenous language and culture. The OECD has undertaken an initial review of the literature about Indigenous development issues, and in the context of the UN Declaration and the SDGs has developed the following framework for understanding some of considerations for understanding Indigenous community assets in a local and regional context.

Forms of Community Assets	Description	Considerations for Indigenous peoples in relation to economic development
Physical capital	Built infrastructure – roads, buildings, houses	Access to basic services, Indigenous ownership of assets
Human capital	Work skills, leadership, educational attainment, health	Customary activities and traditional knowledge
Social capital	Norms, networks and trust	Kinship and family relations
Environmental capital	Air, water, land, flora and fauna	Land stewardship, control over access and use of land, spiritual and cultural values of land
Financial capital	Money, access to credit, equity	Indigenous-owned businesses, collective forms of asset ownership, and customary activities and traditional livelihoods (imputed income)
Political capital	Access to democratic decision making	Self-determination, duty to consult, legitimacy and cultural match of representative institutions
Cultural capital	Arts and culture, museums, ethnic festivals	Indigenous language, traditional knowledge, cultural artefacts

Elements of a potential framework for member countries to understand and design policies for Indigenous economic development include:

- **Place-based view** of an Indigenous community, clan or nation (geography based on economic function and shared political and cultural identity), which differentiates in terms of **level of development**, and a **territorial classification** between urban, rural close to city, and rural remote areas.
- **A place-based framework for development** that is inclusive of a broad view of progress (encompassing different forms of capital) and is based upon the self-determined development choices of Indigenous communities.
- **Assessment of progress** that is based on how levels of well-being are improving over time, and how place-based Indigenous communities compare with other communities of similar size and location (to complement national level benchmarking).

### Preliminary insights from Sweden

- Economic development from the perspective of Sami society is based on a symbiotic relationship with nature and the reproduction of Sami language and cultural traditions. The subsistence economy is also important amongst the Sami with goods distributed informally amongst kinship groups.
- The legal framework has a fundamental impact on how the Sami economy is understood and measured, which is primarily expressed through legislation related to reindeer herding.
- However, the Sami business sector is broader than just reindeer herding and today consists of a multitude of activities and trades that share the basis of the close relationship between traditional industries, the environment and culture and that are generally characterized by small scale and local production. The Sami economy can be categorized according to four groups:
  - Reindeer herding companies with the supplementary hunting and fishing activities;
  - Sami companies that have traditional culture as a base such as Sami handicrafts (*duodji*), tourism industry, Sami food production/craft;
  - Sami companies within the cultural sector based on traditional trades such as design, art, music, *joik*, theater, literature, photography, film etc., and;

- Other companies owned by Sami but not directly linked to the Sami culture but still important from a rural perspective.
- The Sami are important economic actors because of their use of land, and possibilities to support diversification in rural areas through unique tradeable products and services. However, this potential and economic role is not well understood amongst decision-makers.
- Part of the reason is the lack of data and statistics. Different economic activities undertaken by the Sami are not statistically identifiable (the exception is reindeer herding). Their economic contributions are less visible and make a comprehensive picture of livelihoods and well-being difficult.
- The Sami Parliament of Sweden plays an important (albeit limited) role in the collection of statistics about Reindeer Herding (e.g. Reindeer Management Plans), and other Sami enterprises. There is potential to consolidate and strengthen this role.

### Questions for Discussion

- **Objectives and criteria:** What are the objectives and criteria about economic development for Indigenous peoples, and how should it be measured?
- **Strategic challenges and opportunities:** What are the main challenges and opportunities for Indigenous businesses and livelihoods in the Arctic?
- **Access and use of data:** Does your country collect systematic data on Indigenous demography and economic activity? What are the main gaps that need to be addressed?
- **Linking existing sources of data:** How can existing institutions (such as schools, representative organisations, Sami business associations, municipalities and universities) that collect data about Sami populations and economic activities use and share this information more effectively to shape better public policies?
- **Funding for Indigenous related research:** Are there good examples of university research about Indigenous economies in the Arctic, and how could this be strengthened in the future?
- **Funding for Indigenous institutions:** What measures can help strengthen the role of Indigenous-led institutions in improving data collection and the production of statistics about Indigenous economic activities?

### Group2: Policy dialogue on Indigenous entrepreneurship and livelihoods

#### Objective

To identify shared lessons, good practices and potential policy directions to shape the global OECD study, provide insights for our country case study of Sweden, and inform the proceedings of this event.

#### Key question and scope

*How can economic development policies and programmes better support Indigenous entrepreneurship and livelihoods?*

This includes a number of important issues for Indigenous entrepreneurship and traditional livelihoods such as access to finance, technical skills to start and operate a business, and building the capacity of industry associations. It encompasses a number of policy areas at EU, national and sub-national scales including rural development, regional development, cross-border initiatives, and employment and training.

### Preliminary OECD Framework

Indigenous businesses can be initiated by individual entrepreneurs, be linked to collective efforts to improve community wellbeing, or take the form of joint ventures with non-Indigenous organisations.

Indigenous peoples across different countries undertake a wide range of business activities, from natural resource based activities integrated into global value chains to subsistence agriculture and livelihoods that are not. Cultural values and norms influence the nature of Indigenous economic participation, and economic development policies should be designed in a way that matches these values, and recognises the different levels and diversity of economic activity undertaken by Indigenous peoples.

Initial work by the OECD has identified two important factors to create an enabling environment for the growth and sustainability of Indigenous businesses in a rural context:

- A place-based vision and priorities for Indigenous economic development that can facilitate the coordination of public and private investment to foster specialisation and value-adding around areas of absolute advantage, strengthen rural-urban linkages, and product differentiation;
- Initiatives that increase access to capital and markets for Indigenous-owned businesses (e.g. community development finance and procurement) to support growth and value-adding opportunities.

### Preliminary insights from Sweden

- There is a lack of consistent and quality data about Indigenous businesses, which renders difficult to design policies and ensure the Sami are visible in economic development policy discussions.
- The restriction on Sameby to undertake an economic activity other than reindeer herding within the Reindeer Herding Act of 1971 limits the scope for economic diversification and value-adding.
- Reindeer herding is a very visible and important component of the Indigenous economy, but there are also new and emerging opportunities in such areas as the promotion of Sami food and tourism, arts and culture, and handicrafts.
- Traditional livelihoods (reindeer herding, hunting and fishing) provide subsistence and resources for Sami communities. This needs to be considered in decision-making about economic development, and when measuring economic participation.
- Access to finance is a challenge due to lack of collateral, understanding about Sami society and livelihoods, discrimination. Economic development programs requiring large up-front co-contributions are also a barrier.
- Sami owned businesses seeking support are generally re-directed to the Sami Parliament that has relatively narrow scope for supporting enterprises. This can result in mismatch between business needs and program criteria, and increased competition for limited funds.
- Business clusters and networks led by Sami entrepreneurs can help overcome some of the challenges associated with skills, capacity and market access – improved internet connectivity also provides new opportunities for networking and market access.
- Intermediary organisations play a key role in the Sami business sector by supporting access to grants, capital and technical expertise (e.g. the Economic Agency and Development Company in Gällivare - Ávki); however, they generally lack scale and continuity in funding.
- Dedicated educational and training institutions play a critical role for the Sami economy and society by providing a platform for specialised training (Sami handicrafts, language and food) and community development (leadership and networking).

- The potential of Sami-related tourism can only be realised in partnership with Sami communities, in ways that respects their culture and heritage, and strengthens existing Sami institutions.

### Questions for Discussion

- **Data:** What data is available about Indigenous economic participation? What are the gaps, and how can they be addressed?
- **Subsistence:** What is the relative importance of the subsistence economy to Indigenous peoples in the Arctic? What policies need to change to support this economy into the future?
- **Access to capital:** What are the barriers to Indigenous entrepreneurs and businesses accessing capital to sustain and grow their businesses? What can be done about this?
- **Institutional capacity:** What are the opportunities and challenges facing Indigenous-led industry associations? How can they be better supported?
- **Business skills and the supply of competencies:** How do young Indigenous people access to opportunities for skills development? How can this be improved?
- **Future opportunities:** What are the future opportunities for Indigenous businesses in areas such as arts, culture, food and tourism? How can policies change to help realise this potential?

### Group 3: Policy dialogue on the Governance of Land and Natural Resources

#### Objective

To identify shared lessons, good practices and potential policy directions to shape the global OECD study, provide insights for our country case study of Sweden, and inform the proceedings of this event.

#### Key question and scope

How can we improve the governance of land and natural resources for Indigenous peoples? This is inclusive of the issue of land rights and the definition of traditional territories. It also concerns land use and infrastructure planning, land management practices and exploitation of natural resources, including research and development, benefit-sharing agreements, and the efficacy of engagement and consultation practices related to infrastructure, energy and mining projects.

#### Preliminary OECD Framework

Indigenous lands can be defined as territories occupied by Indigenous groups, in accordance with their traditional way of life. For Indigenous peoples land is critical to the reproduction of language, culture, identity and spiritual values, and as a source of wealth and status.

States have different regimes for recognising Indigenous land rights in domestic law, which affect how land is governed. Three types of Indigenous land management are identified:

- **Self-governance of Indigenous land:** The Indigenous group has been empowered by the State to have authority over the management of Indigenous lands and natural resources located within it;
- **Joint land management model:** The Indigenous group shares the responsibility and the authority over land issues with government authorities (e.g. co-management of a National Park); and,

- **Co-existence:** Indigenous groups have designated use rights and are considered an interested party in land management issues.

To address conflicts and minimise risks, well-defined rights and well-functioning management systems are necessary. Indigenous peoples should be granted the opportunity and the conditions to determine their path of development and have influence over matters that affect them. Indigenous groups can sign benefit-sharing agreements with governments and corporations undertaking extractive projects in order to negotiate compensation.

### Preliminary insights from Sweden

The vast majority of land management for the Sami can be understood as a “co-existence” model. The legislative framework recognises Sami land rights as a right to use and only for those who are practicing reindeer husbandry. There is some inclusion in terms of “joint management”, for example, in the case of the Laponia World Heritage area. During the OECD mission to Sweden in February 2018, we observed that competing land uses and land encroachments are affecting Sami traditional livelihoods.

The Swedish system is based on the notion that different land uses can coexist and that conflicts can be solved locally. Natural resources development and Sami reindeer husbandry co-exist as activities of national interest. However in practice, there is competition for the same resources and the tools with which to resolve such conflicts differ. There is no right of refusal for developments by the Sami on the lands that they use for reindeer husbandry. Sami are typically consulted when large development projects are being proposed on *sameby* lands; and multiple consultation processes place burdens on *sameby*. Overall, there is a lack of financial and technical capacity to effectively participate in decision-making, coupled with varied quality of engagement by state agencies and the private sector.

### Questions for Discussion

- **Land rights:** Which ones are attributed to Indigenous Peoples in your country and what do they entail (ownership, access, use, extraction)? In which of the three models explained above would you place your country?
- **Traditional territory:** What does the notion of traditional territories convey and how is it incorporated in the different legal frameworks? What are the main threats to Indigenous livelihoods in the Arctic?
- **Duty to consult:** How are Indigenous communities involved in the environmental licensing process? Do countries have a framework regulating the duty to consult?
- **Spatial planning:** Do planning frameworks at the regional or local level consider the uses of land and the subsistence economy of Indigenous peoples? If yes, how so? Are Indigenous views represented in the different strategic planning documents?
- **Data and information about Indigenous land uses:** Is there sufficient and timely data and information about Indigenous land uses? How is this information considered in the decision-making process? What can be done to improve the quality of data and information?
- **Co-management:** Do you know examples of natural parks or other areas that are co-managed by the government and Indigenous Peoples? What are the main lessons and challenges of co-management?
- **European framework:** How do the different European policies and frameworks related to natural resources management (e.g. industry, infrastructure) regard Indigenous peoples? How do these policies interact with each



other (alignment, conflict, complementarity)? Which are the key areas that Indigenous Peoples can be more involved in?

#### **Group 4: Policy dialogue on Promoting Strategic and Coherent Indigenous Development**

##### **Objective**

To identify shared lessons, good practices and potential policy directions to shape the global OECD study, provide insights for our country case study of Sweden, and inform the proceedings of this event.

##### **Key question and scope**

How can we develop a more coherent approach to policies that support Indigenous economic development and empower Indigenous organisations? This session addresses issues of financial and technical capacity of Indigenous organisations, strategic dialogue in policy-making, duty to consult on projects, cross-border collaborations, and integrated and coordinated approaches to governance at the European, national and regional levels.

##### **Preliminary OECD Framework**

The OECD approach to regional and rural development emphasises the importance of community-led development, and the need for alignment and coordination between levels of government to better match policies and investment to the needs and circumstances of different places. Indigenous-led governance of economic development can be achieved if two conditions are met: (i) match between how governance arrangements are organised and the culture and values of Indigenous communities; and, (ii) effective Indigenous governing institutions.

Such cultural match can be promoted through inter-cultural dialogue with Indigenous communities when designing governance arrangements, which includes flexibility about the scale of governance (tribe, local community, aggregation of communities, nations). The development of effective governing institutions has two key dimensions: (i) capacity of Indigenous community and economic development organisations, which includes skills and human resources, but also structural issues of how business are structured and the role of community brokers; and (ii) multi-level governance arrangements that facilitate alignment and coordination between levels of government, overcoming misalignments in programmes, overlaps in services and administrative burdens.

##### **Preliminary insights from Sweden**

- Sami organisations often face capacity constraints and pressures which impacts their ability to take part in the policy process at the national down to the local levels.
- The way in which the rights framework related to the Sami is defined in legislation shapes how the Sami participate in policies and programmes at all levels of government (e.g. those who are members of Sameby and those who are not)
- The livelihoods and economic participation of the Sami are largely governed by conditions outside the Sami community. The Sami have limited influence over the policy settings for economic development in northern Sweden.

- The Sami do not speak with one voice and hence, improving relations and including the Sami in regional economic development requires sensitivity to the capacity of Sami communities and organisations to effectively engage while navigating inherent power asymmetries in interactions with government and industry.
- A wide range of policies across levels of government shape regional development outcomes in Sweden and in turn, affect the environment for Sami businesses and communities. These range from national sectoral policies (e.g., infrastructure development, natural resources exploitation, environmental policies and supports for business development) and frameworks for regional and rural development to policies and services at the regional/county and municipal levels.
- There is clearly a need for an integrated perspective across spatial and land use planning and sectoral dimensions—transportation, infrastructure, and critically, natural resources and extractive industries (energy, mining, forestry). The weight of Sami perspectives within the strategic planning and permit decision-making processes are sometimes weak and/or treated in an inconsistent manner.

### Questions for Discussion

- **Capacity:** What are the main barriers for Indigenous organisations and governance bodies to acquire and retain the technical skills needed? What are the main challenges to increasing the financial capacity of such institutions?
- **Scale and coordination:** Does lack of scale pose a problem for Indigenous organisations and governance bodies? If yes, what coordination efforts put in place to address this issue and have delivered the most benefit?
- **Duty to consult:** How are Indigenous communities involved in the environmental licensing process? Do countries have a framework regulating the duty to consult?
- **Strategic dialogue:** What are the platforms for strategic dialogue between Indigenous representatives, different levels of government, and the EU (annual roundtables, consultation meetings, information sharing, and rounds of comments on documents)? How could these opportunities for strategic dialogue be improved?
- **Participation in decision-making:** Besides the duty to consult and strategic dialogue, in which other arenas and through which other means do Indigenous peoples participate in decision-making? What are the (present or desired) conditions that make participation effective?
- **Multi-level governance:** In your country, how do the different levels of government have different responsibilities and competences over Indigenous issues? Are there overlaps, or on the contrary gaps? Do they cooperate with each other to address Indigenous issues that may be common to them?
- **Policy integration:** What are the main European Union policies and frameworks that impact the well-being of Indigenous peoples in the Arctic? Do Indigenous peoples in the Arctic have a direct say in influencing these policies? How do you envision an integrated framework for Indigenous peoples at the European level?
- **Cross-border cooperation:** What are the main strengths and complementarities in the way that the different cross-border institutions operate for Indigenous peoples (Saami Council, Barents Council and Nordic Council of Ministers)? Do they also provide meaningful opportunities to influence decision-making in the European Union?

## APPENDIX C: PARTICIPANTS

### **Saami Council**

- Åsa Larsson Blind
- Elle Merete Omma

### **Sami Parliament of Sweden**

- Stefan Mikaelsson
- Matilda Månsson

### **Sami Parliament of Finland**

- Tuomas Aslak Juuso

### **Sami Parliament of Norway**

- Solveig Ballo
- Silje Karine Muotka

### **Working Group of Indigenous Peoples – Barents Council**

- Lars Anders Baer
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### **Price Waterhouse Coopers**

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### **Government of Norway**

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- Veronica Slajer