

**Attachment 5: Report of the VP (Arctic)
(Presented by Doug Chipczak)
to CZCA Board of Directors Meeting
September 30, 2009**

Western Arctic – Beaufort Sea

There are a number of ocean management initiatives under way in the Beaufort Sea as well as industry activities related to oil and gas. The Canadian Beaufort Sea was one of five Large Ocean Management Areas (LOMAs) identified in Canada's Oceans Action Plan. The Canadian Beaufort Sea is wholly within the Inuvialuit Settlement Region, a land claim area and therefore all management initiatives require full participation and support from the Inuvialuit to proceed. The Tarrum Niryutait MPA is in the final regulatory stage and is hoped that designation will occur by the end of this year. This MPA includes three areas within the Mackenzie River estuary. A second candidate site for a MPA under the Health of the Oceans (HOTO) initiative has been identified and various activities (e.g., ecological, socio-economic assessments etc.) should start shortly. Integrated management activities are conducted through the Beaufort Sea Partnership (BSP), a partnership of Inuvialuit communities and organizations, government and industry. An integrated Management Plan for the Beaufort Sea is in the process of being signed off by the main partners in the plan. Implementation of this plan is now beginning.

Oil and Gas Activities:

Two major oil and gas programs are occurring in the offshore of the Beaufort Sea. Imperial and BP both have leases in the offshore and have completed their seismic surveys. Both companies are now in the early planning stages for their drilling programs, including preparations for the regulatory process to obtain approval to drill. These lease areas are in waters never before drilled in the Beaufort Sea and at depths never before drilled in the Arctic. There are a variety of other management initiatives occurring driven by oil and gas activities in the Beaufort Sea. These include discussions on a regional environmental assessment, identification of research priorities, amongst others.