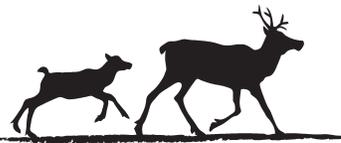




Porcupine Caribou Management Board

2013-14 ANNUAL REPORT





**Porcupine Caribou
Management Board**

2013-14 Annual Report

REPORTING PERIOD:
April 1, 2013 to March 31, 2014



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2013-14 Porcupine Caribou Management Board



Joe Tetlich, Chair



Deana Lemke, Executive Director



Art Christiansen, Member
Dawson City
(Tr'ondëk Hwëch'in)



Roberta Joseph, Alternate
Dawson City
(Tr'ondëk Hwëch'in)



Wilbert Firth, Member
Fort McPherson
(Gwich'in Tribal Council)



Darby Blake, Alternate
Tsiigehtchic
(Gwich'in Tribal Council)



Steven Buyck, Member
Mayo (Na-Cho Nyäk Dun)



Jimmy Johnny, Alternate
Mayo (Na-Cho Nyäk Dun)



David Frost, Member
Old Crow
(Vuntut Gwitchin First Nation)



William Josie, Alternate
Old Crow
(Vuntut Gwitchin First Nation)



Billy Storr, Member
Aklavik
(Inuvialuit Game Council)



Charles Pokiak, Alternate
Tuktoyaktuk
(Inuvialuit Game Council)



Jamie McLelland, Member
Whitehorse
(Government of Yukon)



Torrie Hunter, Alternate
Dawson City
(Government of Yukon)



Marsha Branigan, Member
Inuvik (Government of the
Northwest Territories)



Stephen Charlie, Alternate
Inuvik (Government of the
Northwest Territories)



Mike Gill, Member
Whitehorse
(Government of Canada)



Ian McDonald, Alternate
Whitehorse
(Government of Canada)



Each organization chooses its own members to represent it on the PCMB. Board members are responsible for consulting with their sponsoring organizations and their community members. At meetings, the Board members debate the issues and report decisions back to their communities. The comprehensive membership of the Board pools the collective knowledge and experience of the member organizations as well as ensures there is consistency in efforts to protect the herd. With members representing all the interested groups, a co-management board ensures each group's needs are considered.

Co-management

Co-management is about working together for a common goal. The Porcupine Caribou Management Board brings representatives of all First Nations and Inuvialuit groups together with governments in the range of the herd to discuss in person their concerns and ideas. The PCMB was established by the Porcupine Caribou Management Agreement in 1985. The Porcupine Caribou Management Agreement gives the Board its mandate and describes its responsibilities.

For the PCMB, co-management was originally shared among the Government of Canada, the Government of Yukon, the Government of Northwest Territories, Council of Yukon Indians, the Dene Nation and the Métis Association of the Northwest Territories, and the Inuvialuit Game Council.

Over the years since the Agreement was first signed, all the First Nations involved settled their land claims. The membership of the PCMB changed to reflect the new organizations with authority in the herd's range. Council of Yukon Indians has changed to Council of Yukon First Nations, and this body appoints a member for the Vuntut Gwitch'in First Nation and a member for Na Cho Nyäk Dun. A member of the Gwich'in Tribal Council sits in place of the Dene/Metis representative. With Government of Yukon's agreement, Tr'ondek Hwech'in occupies one of Government of Yukon's seats to ensure Tr'ondëk Hwëch'in is represented on the Board.

Sometimes, because Board decisions affect various communities differently, it is difficult for Board members to justify decisions to their own communities. This is where the cooperative aspect of co-management is emphasized. Because the herd's population is declining, it is imperative that the Board do what it can to protect the herd and allow it to grow, so that the future generations can continue to use the herd. As the Board continues to meet, it searches for new ways to help the herd yet reduce the hardship for the herd's users.

The PCMB makes recommendations to the governments. These recommendations are not binding, but they are taken very seriously. After all, the recommendations come from the collective position of all the Board's member organizations through their appointed representatives, which gives them a great deal of weight.

Compromise is often required, but all members are loyal first to the herd, because protecting the herd best protects their own organization's interests in the long term. In addition, all sponsoring organizations recognize that occasional compromise is preferable to having separate management regimes for each of the jurisdictions in the range of the herd. Cooperation, then, is the key to co-management.

Traditional knowledge as well as scientific research guide the PCMB. This ensures the Board is guided by the best, most comprehensive information available from all its members as well as outside organizations.



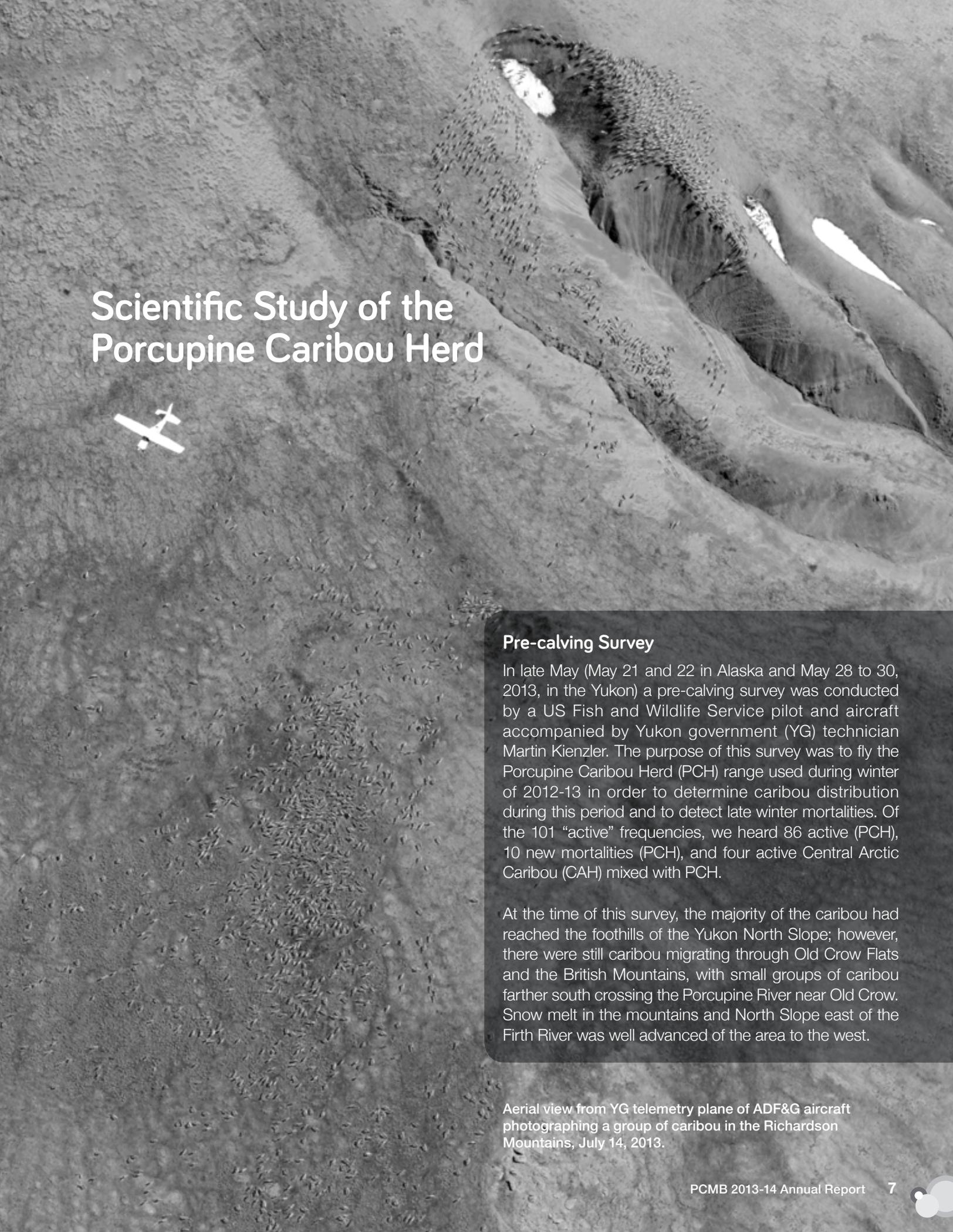
MAP: RICHARD VLADARCS © VGFN

Migratory Range

The range of the Porcupine Caribou Herd covers approximately 260,000 square kilometres of the northern parts of Alaska, Yukon and the Northwest Territories. This area includes 12 different management regimes in two countries. The herd migrates between its winter ranges in Northeastern Alaska, the Northern Yukon and the Richardson Mountains in the Northwest Territories and its summer range in northern Alaska and northern Yukon.

The primary calving ground of the herd is on the coastal plain in the Arctic National Wildlife Refuge and Ivavik National Park. This area provides the best combination of nutrient-rich food, relief from biting insects and protection from predators. In years when the cows are unable to reach their preferred calving grounds, the calf survival rate has declined significantly. The caribou often continue their migration to the coastal plain after calving, and many calves drown along the way. Many more calves and weakened cows fall to predators outside the calving grounds. If development displaces the herd from this vital calving area, the consequences for the herd could be devastating.





Scientific Study of the Porcupine Caribou Herd

Pre-calving Survey

In late May (May 21 and 22 in Alaska and May 28 to 30, 2013, in the Yukon) a pre-calving survey was conducted by a US Fish and Wildlife Service pilot and aircraft accompanied by Yukon government (YG) technician Martin Kienzler. The purpose of this survey was to fly the Porcupine Caribou Herd (PCH) range used during winter of 2012-13 in order to determine caribou distribution during this period and to detect late winter mortalities. Of the 101 “active” frequencies, we heard 86 active (PCH), 10 new mortalities (PCH), and four active Central Arctic Caribou (CAH) mixed with PCH.

At the time of this survey, the majority of the caribou had reached the foothills of the Yukon North Slope; however, there were still caribou migrating through Old Crow Flats and the British Mountains, with small groups of caribou farther south crossing the Porcupine River near Old Crow. Snow melt in the mountains and North Slope east of the Firth River was well advanced of the area to the west.

Aerial view from YG telemetry plane of ADF&G aircraft photographing a group of caribou in the Richardson Mountains, July 14, 2013.

Calving Report

The pre-calving survey was closely followed by the calving survey that was flown between May 31 and June 2, 2013 by Alaska Department of Fish and Game personnel and Caribou Air Services from Fairbanks, Alaska. The objective of the calving survey is to straddle the peak of calving, which is defined as the date in which >50% of parturient cows four years of age or older have given birth. For about the past decade, the peak of calving has been slightly earlier than biologists observed during the 1970s through the 1990s, and consequently this survey was timed for late May-early June.

It appeared that the main calving survey occurred prior to the peak calving period, which was estimated to be June 4, and slightly later than expected. Caribou were tightly distributed, making it difficult to obtain successful observations. A total of 45 cows of all ages were observed. This included two yearlings, five two-year-olds, and three three-year-olds. The sample size to calculate parturition was $n=35$ (cows older than three years of age). Of those, 30 were parturient, for a parturition rate of 86%, which is above the long-term mean of 81% and within the range observed over the past 25 years. Two of the three three-year-olds were parturient (66%) and none of the two-year olds were parturient.

Calving Distribution Survey

A second calving survey to estimate extent and relative distribution of calving in the Yukon was flown between June 2 and 4 by the YG. The purpose of this survey was to map relative abundances during calving activities on the Yukon North Slope so that a more complete picture of habitat used during calving would be available for comparison with planned mapping activities in the coming years.

Caribou calving distributions were mapped along the North Slope between the US border and the Running River. Due to late calving, some caribou remained in the foothills until June 3 or 4 prior to moving north onto the tundra flats to calve. Based on observations on June 4 and satellite collar data, many caribou appeared to only move a few kilometres north onto the plain. Core concentrations occurred between the Firth and just east of the Babbage rivers.

Post-calving Survey

From June 25 to 27, a post-calving survey was attempted by ADF&G and Caribou Air Services; however, this survey was unsuccessful because the majority of caribou were moving into Alaska in large groups too tight to determine which collared cows had calves. Unfortunately, this was the second year in a row that we could not estimate post-calving calf survival or a calf:cow ratio for this time period.



Photo-census

Through late June 2013, the majority of our satellite collared cows continued moving west in a tight distribution along the foothills of the Brooks Range in Alaska. However, it became apparent that the majority of our radio collared bulls were not with the cows. We do not have satellite collars on bulls and cannot monitor them from the office like we can for the cows.

YG personnel were able to launch a telemetry flight on June 30 and flew the northern Yukon and Richardson Mountains to locate the missing bulls. Similar to 2012, we documented a major segregation between cows and bulls during the post-calving period. We located 14 collared bulls in five very large groups in the northern Richardson Mountains. The groups were distributed in a rough 28 km long line near the headwaters of the Bell and Driftwood rivers north of Summit Lake. This increased the level of difficulty to complete the photo-census as two survey flights would be required, one in Yukon and the other in Alaska.

We continued to monitor the movements of the satellite collared cows to ensure we detected any possibilities for a photo-census during the first two weeks of July; however, the caribou continued to move and weather conditions were poor in both Yukon and Alaska. On July 4 and 5, Central Arctic Caribou grouped up on the coastal plain west of the Arctic National Wildlife Refuge and a census of that herd was completed. Low clouds and rain showers prevented the Porcupine Caribou from being assessed as they were off the coastal plain and in the mountains. In the Yukon and NWT, heavy rain caused the Dempster Highway to be closed for several days due to a road washout at Rock Creek. As well, both the Peel and Mackenzie River ferries were out due to high wind and heavy debris.

Weather conditions made a telemetry flight to monitor the caribou in the Richardson Mountains impossible, and with the highway closed, we didn't receive word of caribou arriving at the Yukon/NWT border.

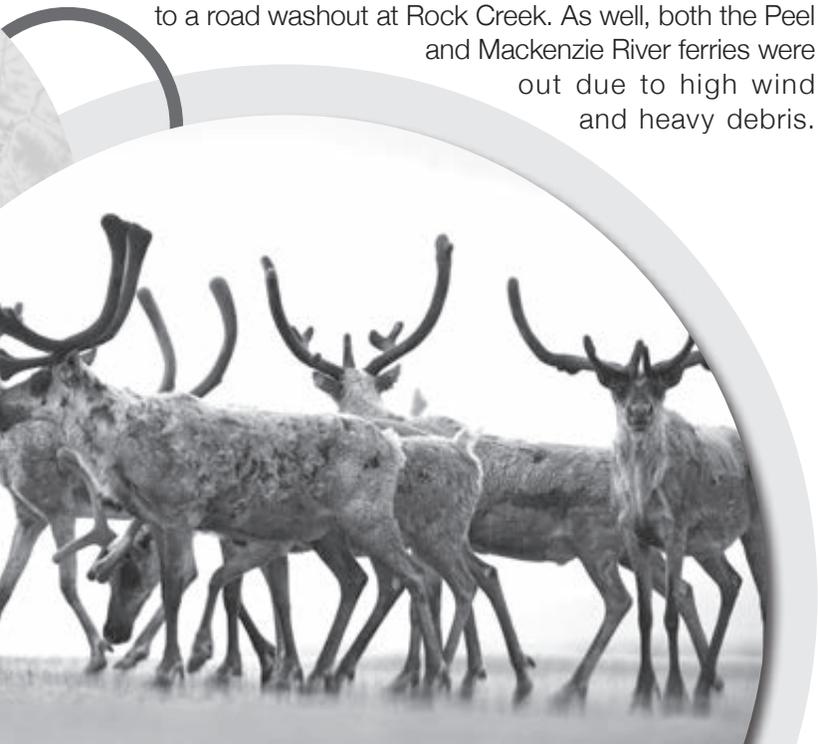
By mid-July, Porcupine Caribou had reached the continental divide in the Brooks Range and slowed down their movements. A reconnaissance flight by Caribou Air Services on July 12 recognized that the caribou in Alaska were favorably distributed for a census.

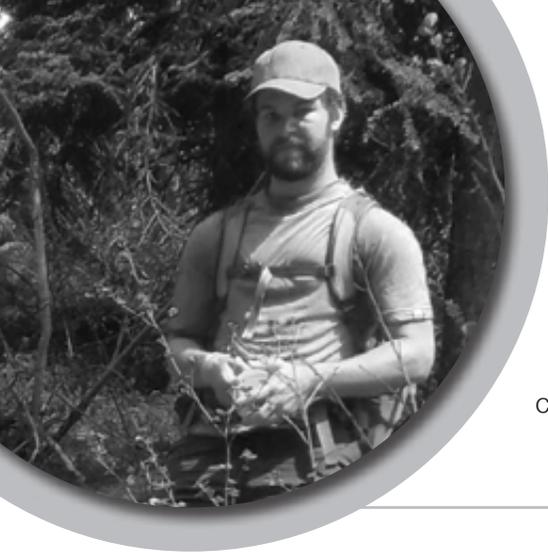
On July 13, YG personnel conducted a reconnaissance flight to check on the caribou in the Richardson Mountains since the census would not be launched unless both groups were suitable to photograph. In the early afternoon of July 13, the caribou were found loosely grouped between the Dempster Highway and the LaChute River, including all 14 collared bulls located in late June. The NWT ferries were back in service by this time and some hunting was taking place from the Dempster Highway. YG personnel flew to Inuvik to meet with GNWT biologists and teleconferenced with ADF&G biologists who recommended we fly back to the Richardsons to check the caribou again that evening. GNWT biologists loaned YG their high resolution camera, and that evening we returned to find the caribou had moved into tighter formations, and we took photos to send to the Alaskans for verification. We flew to Old Crow that night and informed the Alaskans of the developments.

Plans were swiftly arranged and on the morning of the 14th the photocensus was launched. ADF&G's Beaver went north to shoot the Alaskan side, while their Cessna 206 was dispatched to Old Crow. The photocensus along the Yukon / NWT border was shot between 2:00 pm and 4:00 pm, with an estimated 20,000 caribou photographed.

The photocensus efforts in Alaska were also successful, although the caribou were not as well grouped as they had been on the 12th. Several of the collared PCH were mixed with the Central Arctic Herd and a few collars were not located at all.

A total estimate of 197,228 caribou (95% confidence intervals 168,667 – 225,789) was calculated.





Johnny Charlie Scholarship (summer student)

During the summer of 2013, the Johnny Charlie Scholarship student – sponsored by the PCMB – was Andrew Sherrif. Andrew was based in the Dawson Regional office and contributed to PCH fieldwork flying in the calving ground distribution survey and the telemetry flight in the Richardson Mountains in late June. As well, Andrew accompanied the vegetation crew to conduct a final assessment of the Dempster snowmachine vegetation plots.

Fall Monitoring 2013

During the summer months, Porcupine Caribou made random movements across the summer range. The caribou that had been present on the Dempster Highway in early to mid-July drifted north. By late August the caribou were concentrated through the north Richardson Mountains and along the North Slope of the Yukon. In early September, the caribou began moving west across the Yukon mostly north of the Old Crow flats. Some large groups of bull caribou crossed the Porcupine River well upriver of Old Crow and in smaller numbers close to the community.

Body Condition Monitoring

In September 2013, Mike Suitor and YG field veterinarian Jane Harms travelled to Old Crow to facilitate collection of Porcupine Caribou body condition samples. A large number of samples were obtained during this effort and through hunter returns to the RRC in Old Crow (n=39). A number of these samples were collected in collaboration with the Chief Zzeh Gittlit high school class in Old Crow. Students were able to participate in sample collection and learn about scientific method in collaboration with traditional harvesting methods.

GNWT continues to seek body condition samples from harvesters. Sampling kits are handed out from the north check station on the Dempster Highway and provided to RRCs and HTC. In 2013-2014, a total of 54 samples were collected.

Check Stations

The north check station at the Peel River crossing began operations July 29. Harvest pressure was low due to the distribution of caribou.

YG opened the south check station on October 11, as both Porcupine and Fortymile caribou began to converge on the Dempster Highway. The station remained open through to November 27, though harvest levels remained somewhat low during this period due to hunting closures on the lower Dempster Highway. In 2013, a large number of wildlife viewers stopped at the check station.

The PCMB provided a large number of targets for hunters to sight in their rifles before hunting and for related PCH hunter education initiatives. The targets are located in the Dawson office for distribution to all groups wishing to obtain them.

Rut Count

A rut count was planned for October 2013; however, after completing some initial telemetry on the herd, it was determined that there was too much overlap with herds in Alaska to permit the count, so it was cancelled. A follow-up survey in 2014 was not planned. Rather, it was decided to attempt this count again in a few years.



Dempster Highway Grizzly Bear Monitoring Program

Assessment of caribou harvester and grizzly bear conflict was carried out by monitoring the distribution of both the caribou and grizzlies during harvesting activities between the Eagle River Bridge and NWT boundary and adjacent to the Dempster Highway. This program, led by the Gwich'in Renewable Resources Board, is aimed at reducing attractants created by the harvest of caribou adjacent to the Dempster.

From mid-July, crews periodically conducted surveys on the Dempster Highway to document distribution of bears, caribou and gut piles. Questionnaires have been available at many locations for hunters and travellers who see bears to describe where the bears are and what they are doing. There was a great response rate with a lot of interesting observations.

A highway monitor was hired from Fort McPherson to patrol the Dempster Highway, collect gut piles and talk to hunters about reducing conflict with bears.

PCH Late Winter 2014 Fieldwork

Dates: March 11 to 15, 2014.

As always, Porcupine Caribou late winter fieldwork was made possible through cooperative efforts by the YG, ADF&G, USF&WS (ANWR), CWS, GNWT and Parks Canada (Ivvavik and Vuntut National Parks).

USF&WS conducted range-wide telemetry flights between February 19 and 21 in Alaska, and February 24 and 27 in the Yukon. The radio telemetry flights were conducted to determine survival and general distribution of caribou in preparation for March captures. Dave Sowards piloted ANWR's C-185 with Heidi Helling as the observer during all flights.

The PCH radio frequency list prior to March 2014 captures had 90 frequencies to listen for, plus several collars not been heard from for more than a year — suspected mortalities that need to be confirmed and several Central Arctic Caribou that were “missing”. During USF&WS telemetry flights, a total of 66 active Porcupine Caribou collars were located — 24 in Alaska, 41 in the Yukon, and one in the Northwest Territories. Of the 66 located, eight were targets for recapture in March 2014 (two in Alaska, five in Yukon, and one in NWT). During this flight, we also located four missing Central Arctic Caribou collars (three active, one new mortality), all of which were in Alaska. Additionally, seven new PCH mortalities were located (two in Alaska and five in Yukon). Missing were 14 collars last heard in October (6), July (7), or February (1).

An additional telemetry flight was conducted March 5 by YG. This latter flight was done in conjunction with a Fortymile Caribou herd flight to assess the overlap between the two herds, as well as to obtain more precise locations of specific caribou we hoped to recapture for deployment of new satellite collars.

Captures in the Yukon were conducted between March 12 and 15. The Yukon capture crew used an A-star B1 helicopter (Kluane Helicopters of Haines Junction, Yukon, piloted by Bill Karmen). Net-gunning duties were shared



by Martin Kienzler (YG) and Kyle Russell (YG) with additional handler Mike Sutor (YG). Caribou were captured in order to replace aging radio collars or to put collars on new individuals for a continued adequate sample size. Weather was generally good for captures during this time.

A total of 37 caribou were net-gunned for recollaring or deploying new collars, including:

- three adult females were recaptured; two that had been collared with VHF transmitters as calves, and one to replace an ATS Iridium collar that had failed. All three received new Lotek Iridium GPS collars;
- 12 new random adult females received Lotek Iridium GPS collars;
- 19 new random short yearling females received Lotek VHF collars;
- two new random adult males received Lotek VHF collars; and
- one new random short yearling female received a Globalstar GPS collar.

The 12 random adult females were not our ideal candidates because of their unknown age, but were collared with satellite transmitters because we ran out of available recaptures to deploy them on. We plan to capture 15 to 20 short yearlings for the next few years to increase our pool of known aged candidates for future satellite recaptures. In past years, we generally caught 10 short yearlings; however, we are finding this is inadequate to maintain a sufficient sample size of known aged caribou. We collared only two bulls this March since we were not planning a photocensus or rut composition count until 2015. Morphometric measurements were taken on nearly all caribou in Yukon.

This year, we increased our GPS satellite collar sample with 16 new Lotek Wireless Inc. Iridium collars. These collars are slightly different from the ones deployed the previous two years on the herd. We currently have 33 Iridium satellite GPS collars plus one older style ARGOS collar that remains on the herd. For the past two years, we have tried to recapture the cow wearing the ARGOS collar but she has consistently been located in dense timber where capture was not possible. It will probably fail within the year.

We had two mortalities during capture in the Yukon. One was a mature cow that simply stopped moving during handling. The capture was very smooth, and the reason for death was unknown. We speculate that this caribou may have died of a heart attack. The second was a short yearling cow that seemed not to regain control of her hind legs after release, although she could move them. The problem was noted immediately upon release and after observing that the animal did not appear to be regaining control, she was euthanized.

Additional fieldwork was conducted by ADF&G between April 16 and 18. Two adult females were recaptured and their VHF transmitters replaced with Lotek Iridium collars. One additional caribou was recaptured to remove her ATS Iridium collar that had failed, and released without a new collar.



PCH Monitoring in the Eagle Plains 3D Seismic Project Area

One of the satellite GPS collars was deployed on a mature cow found within the Eagle Plains 3D seismic project area. We were able to increase the frequency of locations recorded by her collar to monitor her movements for the duration of the time spent in the seismic area.

The caribou remained in the area south of the Dempster Highway following capture until mid-April 2014 when she began moving northwest along the boundary of the seismic area. The timing of her movement north was consistent with satellite collared cows elsewhere.



Board Meetings 2013-14

In keeping with the communication strategy of the Board, the members try to meet in the Porcupine Caribou herd communities as often as possible. Community members and representatives of stakeholder organizations are encouraged to attend the meeting. The following Board meetings were held during this fiscal year:

- July 8 and 9, 2013, Inuvik, NWT
- September 18 and 19, 2013, Dawson City, Yukon
- December 19 and 20, 2013, Whitehorse, Yukon
- February 13, 2014, Dawson City, Yukon

Board members meet with their respective community organizations before and after Board meetings to keep abreast of community concerns and share information about PCMB activities.

PCMB Representation in Meetings

The Board was represented in other regional, national and international engagements:

- Chair attended Big Caribou Days in Old Crow, May 17 to May 20, 2013
- Chair and Executive Director attended a meeting with Northern Cross Yukon regarding seismic work near Eagle Plains June 5, 2013
- Executive Director and several Board members attended a series of working group teleconference meetings with Northern Cross throughout the year to represent Board concerns regarding caribou in the Eagle Plains project area
- Chair visited Midway and Fort McPherson in August 2013 to meet with harvesters and community members
- Chair attended the International Porcupine Caribou Board meeting in Dawson, Yukon on September 17, 2013
- Chair attended a Regional RRC meeting in Fort McPherson on January 21 and 22, 2014
- Chair, Executive Director and Board members attended the Annual Harvest Meeting on February 11 and 12, 2014 in Dawson, Yukon

2013-14 Communication Highlights

Communicating Board activities and information about the herd is an important part of the Board's work. Some highlights of the Board's communications are as follows:

- The Annual Report is a key method to share extensive information about the herd and the Board's activities. The Annual Report is distributed widely, to user organizations in the U.S. and Canada, environmental organizations throughout the world, lobbying groups that advocate for protection of the herd's habitat in Canada and the United States, scientists, universities and libraries.
- The Board's Web site is regularly updated with current information and announcements about Board activities. It also contains information sections on the herd (including sections about the herd's population, migration, uses of the herd and herd health). The Resources section contains downloadable reports and the Porcupine Caribou Schools Program, which can be freely used by educators. This year saw the addition of sections about ethical hunting, human activity in the herd's range, and numerous updates.
- All stakeholders and the general public are invited to attend PCMB meetings to observe the Board's discussions and decisions. Invitations to the meetings are mailed to stakeholders and interested parties. Public service announcements about upcoming PCMB meetings are published in newspapers and broadcast over local radio stations.
- Public open houses are held in conjunction with the Board meetings in the communities. This is a time for dialogue among the Board members and the public. PCMB brochures and other printed materials are made available at all PCMB meetings as well as other events that Board members attend.
- Community Caribou Update newsletters are distributed to stakeholder organizations and others who have expressed interest.
- To promote hunter safety, blaze orange vests printed with "Think Safety First" are loaned to hunters on the Dempster Highway. Blaze orange toques are given to Dempster Highway and Old Crow hunters.
- Targets are printed to help hunters sight in their rifles. These targets are distributed widely across the range.
- The Board provides door prizes and participation prizes for a variety of events hosted by others such as shooting workshops along the Dempster Highway and on-the-land youth camps.
- The Chair tours Porcupine Caribou Herd user communities and attends various other board and community meetings throughout the year.
- Radio and newspaper interviews and articles are done throughout the year.
- The Board distributes pamphlets, pins, pens and t-shirts at community meetings, speaking engagements and public information events.
- One-page information sheets are used in PCMB displays and are distributed at meetings. In addition, they continue to be distributed to all user groups for free copying, display and distribution. There are topics to encourage specific ethical hunting practices such as responsible snow machine use, sparing the cow, and voluntarily avoiding hunting the bull during the rut. Other information sheets are:
 - Counting the Caribou
 - Dempster Highway Caribou Hunting Best Practices
 - Safe Camping for Caribou Hunters
 - Bear Safety for Caribou Hunters
- Posters describing co-management and the structure of the PCMB are developed and printed. These are used at meetings and other public outreach displays.

Financial Report

MANAGEMENT RESPONSIBILITY STATEMENT

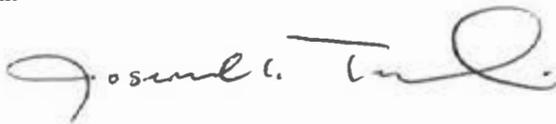
The management of Porcupine Caribou Management Board is responsible for preparing the financial statements, the notes to the financial statements and other financial information.

Management prepares the financial statements in accordance with Canadian standards for not-for-profit organizations. The financial statements are considered by management to present fairly the board's financial position and results of operations.

The board, in fulfilling its responsibilities, has developed and maintains a system of internal accounting controls designed to provide reasonable assurance that assets are safeguarded from loss or unauthorized use, and that the records are reliable for preparing the financial statements.

The financial statements have been reported on by M. McKay & Associates Ltd., Certified General Accountants, the board's auditors. Their report outlines the scope of their examination and their opinion on the financial statements.

Chair

A handwritten signature in black ink, appearing to read "Joseph L. Tule", is written over a faint, light-colored circular stamp.

August 12, 2014



INDEPENDENT AUDITOR'S REPORT

To the Members of Porcupine Caribou Management Board

We have audited the accompanying financial statements of Porcupine Caribou Management Board, which comprise the statement of financial position as at March 31, 2014, and the statements of operations and changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for qualified opinion

\$9,875 inventory of promotional materials was expensed instead of being recorded as an asset. This is not in accordance with the Canadian accounting standards for not-for-profit organizations.

Qualified opinion

Except as noted in the above paragraph, in our opinion, these financial statements present fairly, in all material respects, the financial position of the board as at March 31, 2014 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.



M. McKay & Associates Ltd.
Certified General Accountants

Whitehorse, Yukon
August 12, 2014

PORCUPINE CARIBOU MANAGEMENT BOARD
STATEMENT OF OPERATIONS
AND CHANGES IN NET ASSETS
For the year ended March 31, 2014

	<u>2014</u>	<u>2013</u>
REVENUES		
Government of Yukon	\$ 79,043	\$ 75,000
Government of the Northwest Territories	78,000	78,000
Aboriginal Affairs and Northern Development Canada	55,056	55,056
Environment Canada	31,000	31,000
Parks Canada	30,050	30,050
Repayable to Aboriginal Affairs and Northern Dev.	<u>(35)</u>	<u>-</u>
	<u>273,114</u>	<u>269,106</u>
EXPENDITURES		
Honoraria	67,419	62,139
Administration fees	56,142	72,009
Travel	43,918	56,143
Administration	24,439	26,791
Materials and supplies	24,270	24,798
Communication project	19,134	-
Student	9,060	-
Professional fees	7,807	7,898
Meetings, workshops and conferences	6,467	13,639
Cumulative effects management	5,125	14,965
Telephone	<u>2,816</u>	<u>2,713</u>
	<u>266,597</u>	<u>281,095</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	6,517	(11,989)
Accumulated surplus, beginning of year	<u>65,819</u>	<u>77,808</u>
Accumulated surplus, end of year	<u>\$ 72,336</u>	<u>\$ 65,819</u>

**PORCUPINE CARIBOU MANAGEMENT BOARD
STATEMENT OF FINANCIAL POSITION
March 31, 2014**

	ASSETS		<u>2014</u>		<u>2013</u>
CURRENT					
Cash		\$	21,960	\$	35,164
GST refundable			8,020		10,677
Contributions receivable			<u>47,276</u>		<u>27,488</u>
			77,256		73,329
 CAPITAL ASSETS (note 3)			 <u>11,383</u>		 <u>9,734</u>
		\$	<u>88,639</u>	\$	<u>83,063</u>
 LIABILITIES					
CURRENT					
Accounts payable and accrued liabilities		\$	<u>4,920</u>	\$	<u>7,510</u>
 NET ASSETS					
NET EQUITY INVESTED IN CAPITAL ASSETS			11,383		9,734
ACCUMULATED SURPLUS			<u>72,336</u>		<u>65,819</u>
			<u>83,719</u>		<u>75,553</u>
		\$	<u>88,639</u>	\$	<u>83,063</u>

Approved on behalf of the Board:

Member

Member

PORCUPINE CARIBOU MANAGEMENT BOARD
STATEMENT OF CASH FLOWS
For the year ended March 31, 2014

	<u>2014</u>	<u>2013</u>
OPERATING ACTIVITIES		
Contributions received	\$ 255,983	\$ 283,638
Cash paid to suppliers, employees, contractors and honoraria	<u>(267,537)</u>	<u>(281,336)</u>
Cash flow from (to) operating activities	(11,554)	2,302
INVESTING ACTIVITY		
Purchase of equipment	<u>(1,650)</u>	<u>(995)</u>
NET (DECREASE) INCREASE IN CASH	(13,204)	1,307
CASH, beginning of year	<u>35,164</u>	<u>33,857</u>
CASH, end of year	<u><u>\$ 21,960</u></u>	<u><u>\$ 35,164</u></u>



PORCUPINE CARIBOU MANAGEMENT BOARD
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2014

1. Nature of operations

Porcupine Caribou Management Board is a joint management board established under the Porcupine Caribou Management Agreement signed in 1985. The object of the board is to enhance the well-being of the Porcupine caribou herd in Yukon and Northwest Territories by studying the herd to determine its condition, and to track migration and habits, holding workshops and seminars, and publishing information for public education.

The board is a registered charity and is exempt from income taxation under S.149(1)(f) of the Income Tax Act.

2. Significant accounting policies

The board applies the Canadian accounting standards for not-for-profit enterprises.

(a) Capital assets

The board expenses its capital assets. During the current year, capital expenditures included \$1,649 (2013 - \$995). Capital assets purchases are also recorded as assets, with credits to the investment in capital assets. Amortization is not recorded.

(b) Financial instruments

The board initially measures its financial assets and liabilities at fair value. The board subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income.

(c) Revenue recognition

Contributions are reported by the deferral method. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

(d) Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. Capital assets

	<u>2014</u>	<u>2013</u>
Equipment and furniture	<u>\$ 11,383</u>	<u>\$ 9,734</u>

4. Contingent liabilities

Final determination of amounts receivable from, or refundable to, the funding agencies is contingent upon final reviews by the funding agencies.

5. Economic dependence

The board is dependent upon government agencies for continued financial support.

6. Financial instruments

The Boards financial instruments consists of cash, GST rebate, accounts receivable, and accounts payable. Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

(a) Fair value

The fair value of current financial assets and current financial liabilities approximates their carrying value due to their short-term maturity dates.

(b) Credit risk

The board has credit risk in bank deposit accounts and receivables. Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss.

(c) Liquidity risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting its obligations associated with financial liabilities.

The Organization is exposed to liquidity risk in meeting its obligations associated with financial liabilities, which is dependent on receipt of funds from funding agencies.



7. Schedules of revenue and expenditure by program

The schedules have been provided for the purposes of additional analysis, and is not a required under Canadian accounting standards for not-for-profit organizations.

GENERAL OPERATIONS

	<u>2014</u>	<u>2013</u>
REVENUE		
Parks Canada	\$ 30,050	\$ 30,050
Government of Yukon	79,043	75,000
Government of the Northwest Territories	78,000	78,000
Environment Canada	<u>31,000</u>	<u>31,000</u>
	<u>218,093</u>	<u>214,050</u>
EXPENDITURES		
Advertising and promotion	-	3,988
Bookkeeping	2,477	2,500
Meetings	925	4,290
Honoraria	46,486	44,893
Wages	9,060	-
Office and other	21,599	20,170
Professional fees	2,330	2,398
Secretariat	56,142	72,009
Telephone and internet	1,816	1,713
Workshops	5,542	9,229
Travel	40,843	49,919
Cumulative effects management	5,125	14,965
Communication project	<u>19,134</u>	<u>-</u>
	<u>211,479</u>	<u>226,074</u>
	<u>\$ 6,614</u>	<u>\$ (12,024)</u>

ABORIGINAL AFFAIRS AND NORTHERN DEVELOPMENT CANADA AGREEMENT

	<u>2014</u>	<u>2013</u>
REVENUE		
Aboriginal Affairs and Northern Development Canada	<u>\$ 55,056</u>	<u>\$ 55,056</u>
	<u>55,056</u>	<u>55,056</u>
EXPENDITURES		
Core	13,950	13,950
Salaries	18,811	18,703
Contract / Web fees	5,000	5,000
Travel and honoraria	10,175	10,194
Administration	<u>7,181</u>	<u>7,174</u>
	<u>55,117</u>	<u>55,021</u>
	<u>\$ (61)</u>	<u>\$ 35</u>

Appendix One

Porcupine Caribou Management Agreement

This agreement made on the 26 day of October, 1985 between:

The Government of Canada, as represented by the Minister of Indian Affairs and Northern Development and the Minister of the Environment, (hereinafter referred to as "Canada"); - and -

Government of Yukon, as represented by the Minister of Renewable Resources, (hereinafter referred to as "Yukon"); - and -

The Government of the Northwest Territories, as represented by the Minister of Renewable Resources, (hereinafter referred to as "GNWT"); - and -

The Council for Yukon Indians, (hereinafter referred to as "CYI"); - and -

The Inuvialuit Game Council, (hereinafter referred to as "IGC"); - and -

The Dene Nation and The Métis Association of the Northwest Territories, (hereinafter referred to as the "Dene/Métis*").

Whereas the Porcupine Caribou Herd within Canada historically migrates across the boundary between Yukon and the Northwest Territories;

And Whereas the continued well-being of the Porcupine Caribou Herd and the maintenance of its habitat require co-ordinated management, good will and co-operation between Governments and the traditional users of these caribou;

And Whereas the parties hereto recognize the value of these caribou to Canada generally and that a special relationship exists between native users and these caribou.

Now Therefore this Agreement Witnesseth that the Government parties hereto, under their respective authorities to enter into agreements of this kind, agree to act within their legislative authorities for the management of Porcupine Caribou and the protection and maintenance of Porcupine Caribou habitat, in a co-operative manner together with the other parties to this Agreement, to give effect to its terms as follows.

A. DEFINITIONS

In this Agreement:

1. **"Allowable harvest"** means that level of harvest of the Porcupine Caribou Herd in Canada as set pursuant to the terms of this Agreement.
2. **"Board"** means the Porcupine Caribou Management Board established herein.
3. **"Conservation"** means the management and use of Porcupine Caribou and its habitat which best ensures the long term productivity and usefulness of the Herd for present and future generations.
4. **"Habitat"** means the whole or any part of the biosphere upon which the Porcupine Caribou Herd depends, including all of the land, water and air that it inhabits, crosses or utilizes at any time.
5. **"Harvest"** means to shoot, kill, harm, capture, trap, or collect for any purpose, or to attempt to engage in such activities.
6. **"Management"** means the methods and procedures which are necessary to ensure the health and protection of the Porcupine Caribou Herd and the maintenance of its habitat, which may include but are not limited to the following activities associated with wildlife and land management: law enforcement, research, census-taking, monitoring, public information, education and functions provided for in this Agreement.
7. **"Minister(s)"** means the appropriate responsible Minister of the Government of Canada, Government of Yukon or Government of the Northwest Territories.
8. **"Native user"** means a person whose entitlement to the subsistence harvest of Porcupine Caribou has been recognized by a native user community and who is:
 - (a) an aboriginal person who is a traditional user of the Porcupine Caribou or the descendant of such a person; or
 - (b) an aboriginal person who is a current user of the Porcupine Caribou at the time of signing this Agreement and meets a reasonable residency requirement satisfactory to his native user community; or
 - (c) A Canadian aboriginal person who has not traditionally or currently harvested the Porcupine Caribou but meets a reasonable residency requirement satisfactory to the Board.
9. **"Native User Community"** means any one of the communities of Old Crow, Dawson, Mayo, Fort McPherson, Arctic Red River, Aklavik, Inuvik or Tuktoyaktuk and may also include such other new communities as may be determined through native user agreements in effect from

time to time. The native users within these communities shall be represented by a Chief and Council, a Hunters and Trappers association or other appropriate native leadership body, including those bodies defined through the comprehensive land claims process.

10. **"Parties"** means the parties to this Agreement and may include their successors or assigns, as defined through the comprehensive land claims process or otherwise.

11. **"Porcupine Caribou"** means members of that herd of barren ground caribou which regularly bears its young in north-eastern Alaska and north-western Yukon and historically moves southward within Alaska, Yukon and the Northwest Territories for the winter. Its Canadian range, the limits of which are defined within Yukon by current Yukon game management subzones, is generally depicted for Yukon and the Northwest Territories on the map attached as Appendix I to this Agreement.

12. **"Preferential Right"** means the right to harvest Porcupine Caribou for subsistence usage and to be allocated, subject to conservation and the terms of this Agreement, quantities of Porcupine Caribou sufficient to fulfill the native users requirements for subsistence usage before there is any allocation for other purposes, such right of allocation being provided for by the establishment, when necessary, of the allocation hereinafter referred to as the "native user allocation."

B. OBJECTIVES OF THE PARTIES

1. To co-operatively manage, as a herd, the Porcupine Caribou and its habitat within Canada so as to ensure the conservation of the Herd with a view to providing for the ongoing subsistence needs of native users;
2. To provide for participation of native users in Porcupine Caribou Herd management;
3. To recognize and protect certain priority harvesting rights in the Porcupine Caribou Herd for native users, while acknowledging that other users may also share the harvest;
4. To acknowledge the rights of native users as set out in this Agreement; and
5. To improve communications between Governments, native users and others with regard to the management of the Porcupine Caribou Herd within Canada.

C. ESTABLISHMENT OF THE PORCUPINE CARIBOU MANAGEMENT BOARD

1. The Government parties to this Agreement shall establish a Board, to be known as the Porcupine Caribou Management Board, to provide advice and recommendations to the Ministers.
2. Subject to paragraph 3(f) of this Part:
 - (a) The Board will always include representation from each of the parties to this Agreement.
 - (b) The Board will always contain equal Government and native representation and equal representation of native users from Yukon and the Northwest Territories.
3. Eight voting members shall be appointed within a reasonable time to the Board, as follows:
 - (a) Canada shall appoint one member to represent Canada;
 - (b) (i) Yukon shall appoint two members to represent Yukon;
(ii) CYI shall nominate two members to represent the native users of Old Crow, Dawson and Mayo;
 - (c) (i) GNWT shall appoint one member to represent GNWT;
(ii) The Dene/Métis* shall nominate one member to represent the Dene/Métis* native users or Aklavik, Inuvik, Fort McPherson and Arctic Red River;
(iii) IGC shall nominate one member to represent the Inuvialuit native users of Aklavik, Inuvik and Tuktoyaktuk;
 - (d) Upon receipt of notification from the parties, the Ministers shall confirm the nominations and appointments as required;
 - (e) The members of The Board shall be appointed for a term of five years, subject to the right of the parties to terminate the appointment of their respective appointees at any time and have Board members reappointed in accordance with the above terms of reference
 - (f) If, within a reasonable time, nominations or appointments are not made as provided for in this paragraph, the Board may discharge its responsibilities with those members who have been nominated or appointed.
4. (a) A majority of the members of the Board shall nominate from outside the membership of the Board a Yukon resident as the first Chairman and shall notify the Ministers accordingly;

- (b) The Board shall determine criteria for the nomination of subsequent Chairmen;
- (c) If agreement on nomination of a Chairman cannot be reached within a reasonable time, any party to this Agreement may refer the matter to a Judge of the Supreme Court of the Yukon Territory acting as an arbitrator under the provisions of the Arbitration Ordinance and if the Court shall not provide a Judge, then to an arbitrator under the provisions of the Arbitration Ordinance;
- (d) The majority of the members of the Board shall confirm the acceptability of the Chairman as nominated and shall notify the Ministers of its confirmation;
- (e) The Chairman shall have tenure for a term of five years and may, with the approval of the Board serve additional terms;
- (f) Upon receipt of notification from the Board, the Ministers shall confirm the appointment or dismissal of Chairmen as required.

D. DUTIES OF THE BOARD

1. The Board shall establish and maintain communication with the native users of the Porcupine Caribou, between the native users of the Porcupine Caribou, between native users and Governments, among Governments and with other users, in order to assist in co-ordinated management and conservation of Porcupine Caribou and its habitat.
2. The Board shall determine the actions that are necessary to achieve the objectives described herein and shall recommend them to the Minister.
3. The Board shall hold such public meetings as are reasonably necessary to report on and discuss with native users and others its findings and recommendations and, in any event, shall inform the native user communities in writing of the Board's recommendations to the Minister.
4. The Board shall review technical and scientific information relevant to the management of the Porcupine Caribou Herd and its habitat and may advise the Minister of its adequacy.
5. The Board shall encourage native users and other harvesters of Porcupine Caribou to participate in the collection of statistics and biological information.
6. The Board shall maintain a list of eligible native users for each native user community and up-to-date information on the suballocation of the native user allocation among communities all of which shall be made available to Governments for management purposes.

E. RECOMMENDATIONS OF THE BOARD

Without restricting the generality of Part D of this Agreement, the parties agree that the Board may do the following:

1. The Board may make recommendations to the Minister on any matter affecting the Porcupine Caribou and its habitat, including recommendations related to the making of policy, legislation and regulations regarding:
 - (a) management strategies for the Porcupine Caribou Herd;
 - (b) a herd management plan for the Porcupine Caribou Herd;
 - (c) guidelines for native users' participation in Porcupine Caribou Herd management plans;
 - (d) training required to enable native users to participate in the management of the Porcupine Caribou Herd and the conservation of its habitat;
 - (e) a predator management plan in respect of the Porcupine Caribou Herd, provided that no such plan shall be put into effect until the Minister has consulted with the Board;
2. The Board may also:
 - (a) review and recommend development of Porcupine Caribou research proposals;
 - (b) review available information and recommend further research where there appears to be a need;
 - (c) review and recommend methods of data collection and presentation;
 - (d) review the conservation and management of the Porcupine Caribou Herd and its habitat and make appropriate recommendations so as to ensure that productivity is maintained; and,
 - (e) recommend criteria according to which non-native subsistence users may qualify to share in the native user allocation from the Porcupine Caribou Herd, if the affected native user community approves.
3. (a) Because of the dependence of caribou on its habitat, the Board may make recommendations to other boards and agencies, as well as to

the Minister, on land use planning and land management throughout the Canadian range of the Porcupine Caribou Herd or any portion of it. Recommendations of measures to ensure the conservation and protection of habitat shall include, but are not limited to, measures related to specific projects, plans or activities which may:

- (i) impede, delay or disrupt Porcupine Caribou movements, affect behavioural patterns or reduce productivity;
 - (ii) affect Porcupine Caribou habitat; or
 - (iii) affect interactions between native users and Porcupine Caribou;
- (b) The Board may also identify sensitive habitat areas requiring special protection and recommend measures to protect such areas.

F. MINISTER'S RESPONSIBILITIES

1. The Minister shall consider the recommendations of the Board and report his decisions or comments in a timely manner. The Minister shall, within thirty days of receipt of recommendations, either provide the Chairman with his response or, where he is not able to respond fully, he shall so inform the Chairman and advise him when his full response will be provided. When advised by the Board that an emergency situation has arisen and that a decision on a recommendation is necessary forthwith, the Minister shall govern himself accordingly.
2. The Minister may consult with the Board on any matter related to the Porcupine Caribou and its habitat.
3. Recommendations of the Board shall be submitted in writing to the Minister.
4. If the Minister disagrees with a recommendation or any part thereof, he shall refer the matter back to the Board for reconsideration with due consideration for any time schedule imposed by any statutory or regulatory requirements.
5. Where, as the result of a matter being referred back to the Board recommendations are submitted, the Minister may accept or reject the recommendations in whole or in part.
6. Where the Minister rejects a recommendation in whole or in part, he shall provide the Board with reasons therefore.
7. Where it appears to the Minister that an emergency situation has arisen which affects the well being of the Porcupine Caribou or its habitat, and where time does not permit consultation with the Board, the Minister may take such action as is necessary before consulting with the Board.
8. Where emergency action has been taken pursuant to paragraph 7 above, the Minister shall forthwith inform the Chairman and solicit the continuing advice of the Board.

G. PROCEEDINGS OF THE BOARD

The Board shall establish and make known, from time to time, rules and procedures for its functioning, provided however, that:

- (a) thirty days' notice of meetings shall be given by mail, telephone, telegram or other appropriate means;
- (b) the Board shall establish its own quorum;
- (c) decisions of the Board shall be by consensus wherever possible, and shall always require a majority vote in favour, with each member having one vote;
- (d) the Board may decide that alternates be appointed to represent members when they are unable to attend Board meetings and shall establish the terms and conditions of the appointments. If it is decided that alternates are necessary, the parties shall each appoint alternates forthwith according to the terms provided for the appointment of Board members in Part C of this Agreement;
- (e) the Chairman shall, in the event of a deadlock or tie vote, be responsible for resolving the disagreement of the Board and shall, where necessary, cast the deciding vote on any issue which cannot otherwise be resolved;
- (f) the Board shall hold formal meetings at least twice yearly unless it decides otherwise;
- (g) the Board shall keep summary minutes and records of all its meetings and circulate them to its members;
- (h) the Board may establish and instruct such committees as it deems necessary to carry out its functions.

H. BOARD SECRETARIAT

There shall be a secretariat to administer the operations of the Board which shall be responsible to the Board under the direction of the

Chairman. The secretariat shall receive and distribute information, prepare and circulate minutes of Board meetings and perform such other functions as the Board requires.

I. FINANCES

1. Subject to the terms and conditions of this Agreement and to funds being appropriated by legislative authority on an annual basis the Government parties shall fund reasonable costs of the Board and Secretariat in equal portions and in such amounts as agreed annually, to ensure the Board and Secretariat functioning in a manner herein stated.
2. For further clarity, particular expenditures of the Board which are to be shared by the funding parties may include:
 - (a) any salary or honorarium, and all travel, accommodation and related expenses incurred while working on Board activities, paid to the Chairman, provided that same is in accordance with Treasury Board guidelines;
 - (b) the production of an annual report and its distribution;
 - (c) a modest technical review capability in respect of primary research conducted by Governments and other sources;
 - (d) the production of information or educational material, such as newsletters; and
 - (e) such other costs as the funding parties may agree upon.
3. The Government parties shall be responsible for any salary or honorarium, and all travel, accommodation and related expenses of their Board members. In addition, Yukon shall be responsible for these expenses related to the participation of the Board members for CYI and GNWT shall be responsible for these expenses related to the participation of the Board members for IGC and the Dene/Métis.
4. The Board shall prepare and submit annual budgets for all expenditures under its control to the appropriate Government parties and shall be accountable for the expenditures of the Board and secretariat.
5. The Board shall account annually for all monies received and disbursed by the Board and secretariat and records of this accounting shall be made available to any of the parties to this Agreement for inspection upon thirty days written notice to the Chairman.

J. ALLOCATIONS OF ANNUAL ALLOWABLE HARVEST IN CANADA

1. Any of the parties to this Agreement may provide the Board with information that will, in the opinion of the submitting party, assist the Board in determining its recommendation of the annual allowable harvest from the Porcupine Caribou Herd.
2. (a) After the Board has considered all relevant information, the Chairman shall submit its report to the Ministers to facilitate the enactment of any necessary regulations.
 - (b) The report of the Board may include, but is not restricted to, recommendations related to the following:
 - (i) annual allowable harvest;
 - (ii) categories and priorities of harvest allocations;
 - (iii) methods of harvest;
 - (iv) areas of harvest;
 - (v) means of access;
 - (vi) seasons;
 - (vii) age and sex of Porcupine Caribou to be harvested; and
 - (viii) research study requirements related to the harvest.
 - (c) In determining the native user allocation the Board shall take into account, among other things, the following criteria:
 - (i) food and clothing requirements of the native users;
 - (ii) usage patterns and levels of harvest by the native users;
 - (iii) ability of caribou and other wildlife populations to meet the subsistence requirements of the native users; and
 - (iv) projections of changes in caribou populations.
 - (d) The Board may also include in its report the appropriate principles, considerations and procedures that should be used in order to calculate a total annual allowable harvest and its allocations, and more generally to define the conservation limit for the harvest of the Porcupine Caribou Herd.
 - (e) If the Porcupine Caribou Herd is healthy and of sufficient numbers to satisfy all reasonable completing needs, the Board may recommend that the setting of an annual allowable harvest is not required.
3. The territorial Governments shall, upon taking into consideration the recommendations of the Board and consistent with the preferential

right of native users to harvest:

- (a) establish the total annual allowable harvest of Porcupine Caribou in Canada; and
 - (b) determine the allocation of the annual allowable harvest in Canada for native users, taking into account the criteria set forth in paragraph 2(c) of this part and the reservation of two hundred and fifty (250) Porcupine Caribou referred to in paragraph 4 below.
4. Taking into consideration the interests of other users, the territorial Government shall allocate as they see fit from that portion of the annual allowable harvest not allocated under paragraph 3(b) of this Part, which shall consist of no fewer than two hundred and fifty (250) Porcupine Caribou, and shall regulate harvesting pursuant to their respective legislative authorities.
 5. (a) The native users shall sub-allocate native user allocation among themselves on a community basis.
 - (b) The details of the sub-allocation shall be provided to the Board annually by CYI, IGC, and the Dene/Métis* on behalf of the native user communities represented by them respectively so that the necessary information will be available for management purposes.
 - (c) The respective hunting areas for native user communities are identified on the map attached as Appendix II to this Agreement.
 - (d) When access to its community hunting area has been granted by a native user community to a native user or users from another community, notice in a form acceptable to the appropriate Governments shall be provided.
 6. Where a sub-allocation of Porcupine Caribou is made to the native users of Dawson and Mayo, the Yukon Wildlife Management Board (that is referred to in the Yukon Indian Agreement-in-Principle) and Yukon shall be so informed by the Board.
 7. The parties recognize the respective responsibilities of the Yukon Wildlife Management Board for all wildlife south of 65°30' in Yukon and of the Porcupine Caribou Management Board as set out in this Agreement. Therefore, in territorial game management subzones or parts thereof, where the Hart River and Wernecke Caribou or other herds in Yukon mix with the Porcupine Caribou, Yukon may, on the advice of and in consultation with the appropriate board(s), take the necessary measures to protect these herds that mix with the Porcupine Caribou Herd for such periods of time as are required.
 8. The parties recognize the special dependence of all native users on the Porcupine Caribou and in particular, the unique dependence of the native users of Old Crow on the Porcupine Caribou.

K. THE RIGHTS OF NATIVE USERS

1. The rights of native users as set out in this Agreement are subject to laws of general application with regard to conservation and public safety.
2. Subject to the terms of this Agreement, native users shall have a preferential right to harvest Porcupine Caribou.
3. Native users shall have the right to harvest Porcupine Caribou without being required to pay fees or obtain licenses, permits or tags except that licenses, permits or tags may be required for conservation and management purposes. In such circumstances any such licenses, permits and tags will be issued locally and without cost.
4. The Government parties to this Agreement shall use their best efforts to enact any laws and regulations to allow native users the right to transport lawfully harvested Porcupine Caribou across any jurisdictional boundary within the Canadian range of the herd.
5. Native users shall have the right to employ traditional and current methods to harvest the Porcupine Caribou and the right to both possess and use all equipment reasonably necessary to exercise that right.
6. The development of lists of eligible native users shall be made in each native user community with the assistance of the appropriate native leadership body. These lists shall be provided to the Board annually by CYI, IGC and the Dene/Métis* on behalf of the native user communities and shall be updated as required.
7. Notwithstanding paragraph 3 of this Part, native users may be required for conservation and management purposes to show evidence that they are native users.

L. COMMERCIAL HARVEST

1. There shall be no commercial harvest of Porcupine Caribou in Canada.
2. Notwithstanding paragraph I above, native users may:
 - (a) barter or trade with other native users for caribou meat; and

- (b) subject to paragraphs 2(c) and 2(d) of this Part, sell caribou meat to other native users who are unable to hunt by virtue of age, illness or other disadvantages or where there is an emergency situation when access for the hunting of caribou is not feasible for a native user community, provided that the money received for the sale does not exceed the reasonable expenses incurred.
 - (c) The Board shall establish guidelines from time to time on:
 - (i) the circumstances that qualify a native user as being disadvantaged, for example when a family does not have a provider;
 - (ii) categories of costs which may be considered reasonable expenses;
 - (iii) the circumstances that would create an emergency situation when access for the hunting of caribou is not feasible for a native user community.
 - (d) The Board shall establish procedures for the expeditious consideration of individual situations contemplated by paragraph 2(b) of this Part which do not fall within the guidelines established pursuant to paragraph 2(c) above.
3. Native users shall be permitted to sell the non-edible parts of legally harvested Porcupine Caribou.
 4. This part does not apply to commercial guiding or outfitting activities.

M. INFORMATION

1. All parties to this Agreement agree to use their best efforts to provide the Board with all available information requested by it that is necessary to carry out its functions.
2. The Board may advise the parties on the adequacy of information provided to it by native users and others.
3. Subject to paragraph 4 of this Part, the Board shall provide available information upon request and may distribute its reports and recommendations to the public.
4. The Board will respect the confidentiality of such information provided to it on a confidential basis.

N. GENERAL

1. The parties hereto shall jointly and severally indemnify and save harmless the Board and the individual members thereof, against any and all liability, loss, damage, cost or expenses, which the Board, or its individual members jointly or severally incur, suffer or are required to pay as a consequence of any contract or other obligation lawfully undertaken in accordance with the terms of this Agreement.
2. All public reports, summaries or other documentation prepared or otherwise completed by the Board shall become the joint property of all parties hereto and any and all income derived therefrom shall be jointly shared among the parties in proportion to the expenditures incurred by each party generating such income.
3. The parties hereto agree to be bound by this Agreement, notwithstanding subsection 14(2) of the Northwest Territories Act, R.S.C. 1970, and subsection 17(3) of the Yukon Act, R.S.C. 1970.
4. The Government parties to this Agreement will attempt to enact any laws and regulations that may affect the Porcupine Caribou Herd and its habitat in a manner consistent with this Agreement.
5. This Agreement may be amended following unanimous approval in writing by the parties hereto, and the Government parties agree to attempt to secure passage of any necessary legislation.
6. Those parties to this Agreement which are negotiating parties in comprehensive land claims shall act as soon as possible following the signing of this Agreement to incorporate this entire Agreement by reference, by means of sub-agreement or interim agreement, into the completed or ongoing Yukon Indian, Inuvialuit and Dene/Métis* comprehensive land claims respectively. If any consequential amendments to existing sub-agreements, interim agreements or overall agreements are required as a result of the signing of this Agreement, they shall be made no later than the time of incorporation by reference referred to herein.
7. It is the intention of the parties to this Agreement that its provisions not be used to interpret or derogate from the provisions of any comprehensive land claims settlement and that the provisions of any comprehensive land claims settlement not be used to interpret the provisions of this Agreement.
8. In recognition of the fact that the Porcupine Caribou Herd is an international resource with a substantial part of its habitat in Alaska, the parties agree that it is desirable to negotiate a Porcupine Caribou bilateral agreement following the completion of this Agreement. In recognition of the fact that the provisions of a bilateral agreement

might involve aboriginal and treaty rights within the meaning of the Constitution Act, 1982, as well as the Legislative and management responsibilities of the territorial Governments and the Porcupine Caribou Management Board in its role, Canada agrees to consult with the other parties to this Agreement prior to and during the course of any such bilateral agreement negotiations.

9. For greater certainty, and pending compliance with paragraph 6 of this Part, as well as final settlement of the Yukon Indian, Inuvialuit and Dene/Métis* comprehensive land claims, it is intended that this Agreement shall come into full force and effect upon signature by the parties and that the Board shall carry out its functions in accordance with the terms of this Agreement.

Appendix Two

Agreement Between the Government of Canada and the Government of the United States of America on the Conservation of the Porcupine Caribou Herd

Ottawa, July 17, 1987

In force, July 17, 1987

The Government of Canada and the Government of the United States of America, hereinafter called the "Parties":

Recognizing that the Porcupine Caribou Herd regularly migrates across the international boundary between Canada and the United States of America and that caribou in their large free-roaming herds comprise a unique and irreplaceable natural resource of great value which each generation should maintain and make use of so as to conserve them for future generations;

Acknowledging that there are various human uses of caribou and that for generations certain people of Yukon Territory and the Northwest Territories in Canada have customarily and traditionally harvested Porcupine Caribou to meet their nutritional, cultural and other essential needs and will continue to do so in the future, and that certain rural residents of the State of Alaska in the United States of America have harvested Porcupine Caribou for customary and traditional uses and will continue to do so in the future, and that these people should participate in the conservation of the Porcupine Caribou Herd and its habitat;

Recognizing the importance of conserving the habitat of the Porcupine Caribou herd, including such areas as calving, post-calving, migration, wintering and insect relief habitat;

Understanding that the conservation of the Porcupine Caribou Herd and its habitat requires goodwill among landowners, wildlife managers, users of the caribou and other users of the area;

Recognizing that the Porcupine Caribou Herd should be conserved according to ecological principles and that actions for the conservation of the Porcupine Caribou Herd that result in the long-term detriment of other indigenous species of wild fauna and flora should be avoided;

Recognizing that co-operation and co-ordination under the Agreement should not alter domestic authorities regarding management of the Porcupine Caribou Herd and its habitat and should be implemented by existing rather than new management structures;

Have agreed as follows:

1. DEFINITIONS

For the purpose of this Agreement only:

- a. "Porcupine Caribou Herd" means those migratory barren ground caribou found north of 64 degrees, 30' north latitude and north of the Yukon River which usually share common and traditional calving and post-calving aggregation grounds between the Canning River in the State of Alaska and the Babbage River in Yukon Territory and which historically migrate within the State of Alaska, Yukon Territory, and the Northwest Territories.
- b. "Conservation" means the management and use of the Porcupine Caribou Herd and its habitat utilizing methods and procedures which ensure the long term productivity and usefulness of the Porcupine Caribou Herd. Such methods and procedures include, but are not limited to, activities associated with scientific resources management such as research, law enforcement, census taking, habitat maintenance, monitoring and public information and education.
- c. "Habitat" means the whole or any part of the ecosystem, including summer, winter and migration range, used by the Porcupine Caribou Herd during the course of its long-term movement patterns, as generally outlined on the map attached as an Annex.

2. OBJECTIVES

The objectives of the Parties are:

- a. To conserve the Porcupine Caribou Herd and its habitat through international co-operation and coordination so that the risk of irreversible damage or long-term adverse effects as a result of use of caribou or their habitat is minimized;
- b. To ensure opportunities for customary and traditional uses of the Porcupine Caribou Herd by:
 - (1) in Alaska, rural Alaska residents in accordance with 16 U.S.C. 3113 and 3114, AS 16.05.940(23), (28) and (32), and AS 16.05.258(c); and
 - (2) in Yukon and the Northwest Territories, Native users as defined by sections A8 and A9 of the Porcupine Caribou Management Agreement (signed on October 26, 1985) and those other users identified pursuant to the process described in section E2(e) of the said Agreement;
- c. To enable users of Porcupine Caribou to participate in the international co-ordination of the conservation of the Porcupine Caribou Herd and its habitat;
- d. To encourage co-operation and communication among governments, users of Porcupine Caribou and others to achieve these objectives.

3. CONSERVATION

- a. The Parties will take appropriate action to conserve the Porcupine Caribou Herd and its habitat.
- b. The Parties will ensure that the Porcupine Caribou Herd, its habitat and the interests of users of Porcupine Caribou are given effective consideration in evaluating proposed activities within the range of the Herd.
- c. Activities requiring a Party's approval having a potential impact on the conservation of the Porcupine Caribou Herd or its habitat will be subject to impact assessment and review consistent with domestic laws, regulations and processes.
- d. Where an activity in one country is determined to be likely to cause significant long-term adverse impact on the Porcupine Caribou Herd or its habitat, the other Party will be notified and given an opportunity to consult prior to final decision.
- e. Activities requiring a Party's approval having a potential significant impact on the conservation or use of the Porcupine Caribou Herd or its habitat may require mitigation.
- f. The Parties should avoid or minimize activities that would significantly disrupt migration or other important behavior patterns of the Porcupine Caribou Herd or that would otherwise lessen the ability of users of Porcupine Caribou to use the Herd.
- g. When evaluating the environmental consequences of a proposed activity, the Parties will consider and analyse potential impacts, including cumulative impacts, to the Porcupine Caribou Herd, its habitat and affected users of Porcupine Caribou.
- h. The Parties will prohibit the commercial sale of meat from the Porcupine Caribou Herd.

4. INTERNATIONAL PORCUPINE CARIBOU BOARD

- a. The Parties will establish an advisory Board to be known as the International Porcupine Caribou Board, hereinafter called the Board.
- b. The Parties will each appoint four members of the Board within a reasonable period following the entry into force of the present Agreement.
- c. The Board will:
 - (1) adopt rules and procedures for its operation, including those related to the chairmanship of the Board; and
 - (2) give advice or make recommendations to the Parties, subject to concurrence by a majority of each party's appointees.
- d. The Board, seeking, where appropriate, information available from management agencies, local communities, users of Porcupine Caribou, scientific and other interests, will make recommendations and provide advice on those aspects of the conservation of the Porcupine Caribou Herd and its habitat that require international co-ordination, including but not limited to the following:
 - (1) the sharing of information and consideration of actions to further the objectives of this Agreement at the international level;
 - (2) the actions that are necessary or advisable to conserve the Porcupine Caribou Herd and its habitat;
 - (3) co-operative conservation planning for the Porcupine Caribou Herd throughout its range;
 - (4) when advisable to conserve the Porcupine Caribou Herd,

recommendations on overall harvest and appropriate harvest limits for each of Canada and the United States of America taking into account the Board's review of available data, patterns of customary and traditional users and other factors the Board deems appropriate;

- (5) the identification of sensitive habitat deserving special consideration; and
 - (6) recommendations, where necessary, through the Parties as required, to other boards and agencies in Canada and the United States of America on matters affecting the Porcupine Caribou Herd or its habitat.
- e. It is understood that the advice and recommendations of the Board are not binding on the Parties; however, by virtue of this Agreement, it has been accepted that the parties will support and participate in the operation of the Board. In particular they will:
 - (1) provide the Board with the information regarding the conservation and use of the Porcupine Caribou Herd and its habitat;
 - (2) promptly notify the Board of proposed activities that could significantly affect the conservation of the Porcupine Caribou Herd or its habitat and provide an opportunity to the Board to make recommendations;
 - (3) consider the advice and respond to the recommendations of the Board; and
 - (4) provide written reasons for the rejection in whole or in part of conservation recommendations made by the Board.

5. INTERNATIONAL RESPONSIBILITY

The Parties will consult promptly to consider appropriate action in the event of:

- a. significant damage to the Porcupine Caribou Herd or its habitat for which there is responsibility, if any, under international law; or
- b. significant disruption of migration or other important behavior patterns of the Porcupine Caribou Herd that would significantly lessen the ability of users of Porcupine Caribou to use the Herd.

6. IMPLEMENTATION

Co-operation and co-ordination under and other implementation of this Agreement shall be consistent with the laws, regulations and other national policies of the Parties and is subject to the availability of funding.

7. INTERPRETATION AND APPLICATION

All questions related to the interpretation or application of the Agreement will be settled by consultation between the Parties.

8. ENTRY INTO FORCE; AMENDMENTS

- a. This agreement which is authentic in English and French shall enter into force on signature and shall remain in force until terminated by either Party upon twelve months' written notice to the other.
- b. At the request of either Party, consultations will be held with a view to convening a meeting of the representatives of the Parties to amend this Agreement.

Appendix Three

Plan for the International Conservation of the Porcupine Caribou Herd

1. BACKGROUND

The Porcupine Caribou Herd is a population of barren-ground caribou that ranges across two Canadian Territories and the State of Alaska. The herd is of major economic and cultural importance to a number of Alaskan and Canadian communities located on or near its range. The herd is also of great public interest and used by non-local people. Porcupine caribou are a key component of the Arctic National Wildlife Refuge in Alaska and Ivvavik National Park in the Yukon.

Conservation of the Porcupine caribou herd can only be effective through coordination among the various political jurisdictions responsible for its management. In 1987, the Agreement between the Government of Canada and the Government of the United States of America on the conservation of the Porcupine caribou herd (Agreement) was signed by which both countries agreed to cooperate on fundamental requirements to conserve the herd.

The Agreement provided for the formation of an International Porcupine

Caribou Board (IPCB). The Agreement established the IPCB's role as one of facilitating coordination, communication, and cooperation between the Parties, and to provide advice and recommendations to the Parties. The IPCB's purpose is to further the objectives of the Agreement and to conserve the Porcupine caribou herd and its habitat.

Clause 4(d)3 of the Agreement empowers the IPCB to make recommendations on "cooperative conservation planning for the Porcupine caribou herd throughout its range."

2. THE CONCEPT OF AN INTERNATIONAL CONSERVATION PLAN

The International Conservation Plan (Plan) focuses on identifying and coordinating aspects of Porcupine caribou management that require international cooperation. The Plan outlines IPCB consensus on what areas require coordination, and a mechanism to monitor the Parties support of the Agreement.

The Plan is based upon the four principle objectives of the Agreement. Under each of these objectives, the Plan identifies areas requiring international cooperation and recommends what such cooperation should entail.

For each of the cooperative initiatives, the Plan proceeds to describe the IPCB's role and actions. In most cases, the actions consist of recommendations from the IPCB to the Parties, and often request responses from the Parties. The responses will be used by the IPCB for monitoring support of the Agreement by the Parties and for informing the public.

Above all, the Plan has been designed as a functional document. Thus, all IPCB actions are specific rather than general and recommend a product or undertaking that can be reviewed by the IPCB. It is intended that the Plan be phased in over several years to ultimately establish an operating mechanism composed mainly of background reports and annual updates through which implementation of the Agreement can be guided and assessed.

This Plan may be revised and updated by the IPCB as needed to address changing conditions of the herd, new conservation issues related to the herd or user concerns. Throughout the Plan, the terms conserve or conservation have the meaning as defined in Clause 1.c., of the Agreement (1987).

3. PLAN OBJECTIVES, IPCB ROLES AND ACTIONS

To conserve the Porcupine caribou herd and its habitat through international cooperation and coordination so that the risk of irreversible damage or long-term adverse effects as a result of use of caribou or their habitat is minimized.

To cooperate in monitoring the status of the Porcupine caribou herd, including population characteristics, health and physical condition, and contaminants.

IPCB Role:

To advise on and recommend programs for monitoring herd status. (Clauses 4(d) and 4(e) of the Agreement)

IPCB Actions:

- Recommend a joint technical committee be formed to coordinate and report on research and monitoring of the Porcupine caribou herd.
- Recommend an annual herd status statement be prepared by the Parties for the IPCB.

To collect and share harvest data and to mutually determine harvest limits.

Harvest Data

IPCB Role:

To advise on and recommend actions for the collecting and sharing of harvest data. (Clause 4(d)1 of the Agreement)

IPCB Actions:

- Recommend the management agencies, in consultation with users, prepare a report on the methods that have been used to collect harvest data and evaluate their relative reliability.
- Recommend the Parties report annual harvests and data collection methods to the IPCB for inclusion in its reports.

Harvest Limits

IPCB Role:

To advise on and recommend overall harvest and harvest limits for each country. (Clause 4(d)4 of the Agreement).

IPCB Actions:

Recommend the management agencies, in consultation with users, jointly prepare guidelines for when harvest limits will be considered.

To: a) take appropriate action to conserve the herd's habitat; b) ensure

the herd's habitat is given effective consideration in evaluating proposed activities; c) notify and consult where an activity is likely to cause a significant impact; d) avoid or minimize activities that would significantly disrupt migration or other important behavior patterns of the herd.

IPCB Role:

To advise on and recommend actions for monitoring and conserving the habitat of the herd. (Clauses 4 (d) and 4 (e) of the Agreement)

IPCB Actions:

- Recommend the management agencies monitor habitat quality and land use throughout the range of the herd and report their findings to the IPCB.
- Recommend the management agencies submit to the IPCB a summary of proposed activities which may significantly affect the herd's habitat and update the summary in a timely manner.
- Review, and comment, if proposed activities have been subjected to appropriate impact-assessment and review, and have adequately considered cumulative impacts and mitigation.

To identify sensitive habitats deserving special consideration for the Porcupine caribou herd and to conserve such habitats.

IPCB Role:

To identify, advise on and recommend actions to conserve sensitive habitats for the Porcupine caribou herd. (Clause 4.d.5 of the Agreement)

IPCB Actions:

- Prepare, in consultation with users, a report identifying sensitive habitats and current management regimes, and report to management agencies.
- Recommend each management agency, in consultation with users, review for adequacy their management regimes on sensitive habitats and update the IPCB when required.

To ensure opportunities for customary and traditional uses of the Porcupine caribou herd.

IPCB Role:

To advise on and recommend ways of ensuring opportunities for customary and traditional uses of the herd. (Clauses 3(b); 3(f); 3(g); 4(d)4 of the Agreement)

IPCB Actions:

- Recommend the management agencies, in consultation with users, prepare a report describing the customary and traditional uses of the Porcupine caribou herd.
- Recommend each management agency provide statements on laws, regulations and policies affecting the customary and traditional uses of Porcupine caribou.
- Review, and comment, if proposed activities have adequately considered the interests of users of Porcupine caribou.

To enable users of Porcupine caribou to participate in the international coordination of the conservation of the Porcupine caribou herd and its habitat.

IPCB Role:

To advise on and recommend ways to enable user participation in the international coordination of Porcupine caribou conservation. (Clause 2(c) of the Agreement)

IPCB Actions:

- Recommend each Party ensure user representation on, and in the activities of, the IPCB.

To encourage cooperation and communication among governments, users of Porcupine caribou, and others to achieve the objectives of the Agreement.

IPCB Role:

To advise on and recommend ways to encourage, and to facilitate, communication among governments, users and others. (Clause 2(d) of the Agreement)

IPCB Actions:

- Recommend each management agency report to the IPCB the content and methods of communications undertaken each year concerning the conservation of the Porcupine caribou herd.
- Recommend means for management agencies to achieve effective communication with users.
- Summarize and report on the status and conservation of the Porcupine caribou herd as appropriate.
- Provide summaries of all IPCB meetings and activities to the public.



Porcupine Caribou
Management Board

www.pcmb.ca