In 1988 Canada and the United States concluded an Arctic Co-operation Agreement relating to the transit of the Northwest Passage by U.S. vessels. Canada and the United States have co-operated for many years in the Arctic on joint defence. Canada's principal Arctic-related co-operation with the Nordic countries is with Denmark, and focuses on defining the boundary with Greenland and on scientific research.

The creation of the proposed Arctic Council is considered by Canada to meet a long-standing need for an organization with a broader mandate than the AEPS has to promote regional interests. The Council could be made to function efficiently through a rotating presidency, no permanent secretariat, and voluntary leads by member countries on agreed activities. The Council would need to function by consensus to ensure the necessary political will for effective follow-up. Canada will pursue this matter actively with the other Arctic countries.