

The situation for Indigenous peoples is even more difficult. With subsidy programs curtailed or ended, some settlements are returning to self-sufficient economies and struggling to revive their traditional culture. Living conditions remain harsh. Finances appear inadequate to support the re-emergence of sustainable Indigenous communities. At the same time, political reform has granted greater autonomy to Indigenous peoples, who are actively looking for ways to become involved in both the domestic and international northern policy-making processes.

Although most international attention and assistance has focussed on northwestern Russia, circumstances northeast of the Urals are equally urgent. The situation in the Russian northeast should also be factored into International Financial Institution action plans and programs. Maximum synergies should be sought, so that what is being done in the Barents and Baltic areas would be viewed in the broader context of international efforts to stabilize Russia and integrate it further into the international system.

Canada has a historic interest in Russia's prosperity and security — indeed, we have much at stake there. Given the weight of the Russian North in the future of Russia and the region, immediate and concerted action is urgently needed. The future of the Russian North, therefore, is important to Canada, and is a key focus of the Northern Dimension of Canada's Foreign Policy.

The Arctic identity that Canada shares with Russia provides a special basis for co-operation focussing on the North. Canada has a number of bilateral agreements covering northern issues, especially in areas of scientific and economic development and, more recently, development assistance in the areas of the environment and Indigenous peoples. Because of the environmental similarities, Canada has always had a commercial interest in Russia. With our experience and expertise in tapping natural resources in the Arctic, we have a comparative advantage in Russia, creating excellent opportunities for Canadian investments. Similarly, in the environmental sector, Canadian technology and management techniques are second to none.

Through CIDA's Technical Assistance Program, Canada is already making a significant contribution to democratic development and economic liberalization in Russia. This strategy has been successfully extended to the Russian North, where 20 projects are currently under way in the areas of good governance, economic reform and the environment.