



PROTOCOL

The Steering Committee Meeting of the Barents Euro-Arctic Transport Area (BEATA) and Barents Regional Working Group on Transport and Logistics (BRWGTL)

Time: 4 June 2015 at 12.00
Place: "Säätytalo", Helsinki

BEATA members present:

Laura Eiro	Chair of the BEATA Steering Committee, Ministry of Transport and Communications, Finland
Tuija Maanoja	Ministry of Transport and Communications, Finland
Paal Iversen	Ministry of Transport and Communications, Norway
Dharmesh Shah	Ministry of Enterprise, Energy and Communications, Sweden
Nasiyat Shirinova	Ministry of Transport of the Russian Federation

BRWGTL members present:

Hannu Heikkinen	Chair of the BRWGTL, Regional Council of Kainuu
Jussi Rämetsä	Council of Oulu Region, BRWGTL
Jyrki Suorsa	Council of North Karelia, BRWGTL
Eirik Selmer	Finnmark County Council
Marius Chramer	Tromsø County Council
Mikael Bergström	County Administration Board of Västerbotten
Bo-Erik Ekblom	County Administrative Board of Norrbotten

Other participants:

Marja-Leena Vuorenmaa	Chair of the BEAC CSO, Ministry for Foreign Affairs, Finland
Marja Liivala	Ministry for Foreign Affairs, Finland
Anne Herneoja	Finnish Transport Agency
Jorma Leskinen	Chair of the Road Map Expert Working Group, Centre for Economic Development, Transport and the Environment, Lapland, Finland
Ulla Alapeteri	Centre for Economic Development, Transport and the Environment, Lapland, Finland
Sanna Kolomainen	Centre for Economic Development, Transport and the Environment, Lapland, Finland
Jan Fredrik Lund	Norwegian Public Roads Administration
Veronica Wiik	Norwegian Public Roads Administration
Alexander Levchenko	Embassy of the Russian Federation in Finland
Mihail Krasnogor	Representative Russian Railways in Helsinki
Oddgeir Danielsen	NDPTL Secretariat
Martti Miettinen	JBTP-consultant, Transys Ltd

Interpreters:

Victoria Frantseva	Verbum Rossica
Lena Sharoff	Verbum Rossica



1. Opening of the meeting

Laura Eiro, the Finnish chairperson of BEATA, opened the meeting.

She continued with the reiteration of the Finnish programme of the BEATA Steering Committee.

2. BEAC – Barents Euro-Arctic Council

Marja-Leena Vuorenpää informed the meeting about the BEAC activities by noting that the working groups under BEAC, such as BEATA, have been active under the Finnish chairmanship.

She also highlighted the investigation to establish a financial mechanism in the Barents region to support project activities and to facilitate making full use of the region's investment potential. An ad-hoc expert group was set up to conduct an extensive study on this issue and it will submit its final report and recommendations to BEAC CSO by September 2015.

The Finnish term of the BEAC chairmanship ends in autumn. The next chaircountry will be Russia.

The Kainuu Region chairing the Barents Regional Council will hand over the chairmanship to the Achangelsk Region also in the autumn.

3. Country reports

For *Finland*, *Laura Eiro* told about the new Finnish government, which has just been appointed. Transport minister will be Ms Anne Berner from the Center Party.

Paal Iversen informed for *Norway* that the Ministry has just given the guidelines for the preparation of the new Transport Plan covering the years 2018-2029. Guidelines highlight particularly economic frames and cost-benefit analyses in the Plan. Deadline of the Plan is March 2016.

Another issue in Norway is the transport reform. E.g. in railway sector the National Railways will be split into an operation company and infrastructure company, which are overseen by the new Railway Directorate.

Dharmesh Shah reported for *Sweden* that they also have a new government. Preparation of the new transport plan starting in 2018/2019 has been launched. They include also various studies including the testing of 74 ton vehicle weights. Also, infrastructure financing schemes are being discussed, where options include loan financing.

Swedish Government appointed a Committee with the purpose to make a review of the organisation of the Swedish railway sector, looking into the reforms made during the past 25 years and the current functioning of the sector.

Nasiyat Shirinova presented a detailed report for Russia, which dealt with Russia's transport policy and its priority projects in the Barents Region, the BEATA and JBTP 2013 cooperation, and past developments in the Northern Sea Route. A summary of her presentation is in the attachment.

In the Transport Ministry, she said, they have started to get familiar with the Road Map document together with other transport authorities under the Ministry. The time has, however, been too short for them to create any opinion. Therefore, they will give an opinion in July this year.

The Russian chair of BEATA intends to organize a ministerial meeting in Archangelsk in summer 2016.

4. Report from BRWGTL

Hannu Heikkinen reported on behalf of the Barents Regional Working Group on Transport and Logistics, BRWGTL. The WG has not had very much recent activity, but now a new project SUNTOUR is under preparation. It is a Northern Periphery project aiming to develop an innovative system for passenger and small parcel transport for remote areas.

5. Northern Dimension Partnership on Transport and Logistics, NDPTL

Oddgeir Danielsen made a presentation about the NDPTL and its objectives in a general way. In addition, he told about the NDPTL Support Fund, which is aimed at facilitation of projects on the NDPTL network. At present, seven projects are receiving financing from the Support Fund.

6. High Level Meeting and the Barents Transport Forum

Laura Eiro told about the High Level meeting and Barents Transport Forum, which will be held in Rovaniemi on September 29-30. The proposed program of the meeting and the Forum was attached in the meeting material.

The High Level meeting will be held at the level of state secretaries.

7. Expert Working Group on the Road Map

The progress in the preparation of the Road Map report for the Barents transport system was presented by *Martti Miettinen* and *Jorma Leskinen*. Discussion of the report was carried out on the next day.

8. Closing of the meeting

Laura Eiro closed the meeting.

Attachment:

Summary of Ms Shirinova's presentation in Helsinki on June 4, 2015

ATTACHMENT

Summary of Ms Shirinova's presentation in Helsinki on June 4, 2015

About the transport policy in Russia

Because Russia's geographical position with regard to transport is specific both in Europe and Asia, improvement of the country's transport connections is very important. Current measures to develop transport infrastructure are aimed at meeting the needs of Russia's national economy, but they should serve also foreign trade and transiting traffic. In this process the position of the Northwestern Federal District has strengthened further. As competition intensifies, expectations of the markets become more concrete. That means:

- adherence to precise schedules dictated by just-on-time deliveries
- reliable knowledge of necessary transport documents, valid regulations, and procedures of officials
- competitive pricing
- reliable and safe deliveries, and the possibility to monitor the progress of shipments using information technology

International transport network is only then efficient when the best international practices are taken to use in the border procedures, and the transport documentation is harmonized.

Russia has addressed these challenges by updating the Russian transport strategy of 2030. Main drivers of the updating have been socio-economic development of the country, WTO membership, and creation of common economic area. Priorities of specific sub-programs are:

1. Comprehensive and balanced development of transport infrastructure; that is, transport corridors and nodes, in order to expedite freight transport and reduce transport costs. Infrastructure of all transport modes will be developed under a single coordinated plan. Extension of the network is not enough, but transport logistics must be on the forefront. Processes between different modes of transport must be optimized and made seamless.
2. High quality transport services must be available to the citizens. Priority must be given to the improvement of regional and local transport. This development will utilize more extensively public-private financing and will focus on construction and upgrading of regional roads and connections between communal centers. In the North, it is very important that about 1000 rural communities will be connected to the public road network year round.
3. Road safety must improve as a whole. The goal is to cut in half the annual fatalities in road accidents.

Most important line of action is the further development of GLONASS. This is combined, first of all, with standardization of geo-positioning and data transfer systems, and with implementation of e.g. the ERA-GLONASS emergency call scheme.

BEATA

In addition to the BEATA cooperation, the four Barents countries are parties to numerous other international agreements dealing with international transport corridors. At present, a large proportion of

international organizations and associations are thinking in one way or another the problem of international transport logistics. In our plan there are 15 of them. This work is necessary, since through these frameworks reliable transport connections are created between Scandinavia on one hand and China, Mongolia and Central Asia on another.

Joint Barents Transport Plan

In Russia, a draft plan is being prepared jointly between the federal transport authorities. Short remarks about the current situation:

1. Above all, transport infrastructure, border crossings and roads leading to borders must be developed in a balanced way, which is based on the needs of the businesses with due consideration of financial possibilities.
2. Additional studies must be carried out of several projects proposed in the joint plan with the view of changes in freight flows and financial limitations.
3. A couple of examples, where additional studies have been performed in Russia, can be mentioned:
 - a. The Ledmozero – Kotchkoma railway has been discussed with Finland over several years. The railway has been opened as a low-volume connection. Any new investments in the future must be based on the real transport need.
 - b. The Salla – Kandalaksha railway is not a priority, since the railway capacity in Northwest Russia is now quite adequate.
 - c. Today, the capacity of border crossings between Russia and Finland is remarkably high in comparison to the demand. If there will not be any guaranteed new freight flows to/from Finland, there is no reason to build new railway connections or to upgrade existing rail border crossings.
4. Flight connections are normally addressed between the aviation authorities within the framework of currently enforced international agreements. Furthermore, it is necessary to deal with the economic basis of the flight connections proposed in the joint plan. It is usual that in the beginning there will not be adequate numbers of passengers. E.g. in 2015, “Pskovavia “was supposed to start the flight service on the route Archangelsk –Murmansk – Tromsø, but for economic reason it did not happen. Our opinion is that similar initiatives must be investigated further.

We consider it reasonable that the parties that prepared the joint plan continue active cooperation so that the plan can be prepared for approval in the ministerial meeting of BEATA in 2016. Our intention is to organize such a meeting in Archangelsk in summer 2016.

Road Map

We have started to get familiar with the Road Map document together with other authorities under the Russian Ministry of Transport. The time available to us has, however, been too short to create any opinion

of it so far. Therefore, we reserve the right to give our opinion to the Finnish Ministry of Transport and Communications in July this year.

Furthermore, it would be beneficial if the connection between the JBTP 2013 and the Road Map reports would be easier to understand. It might be useful if the Road Map would be added to the JBTP 2013 report.

Priority projects in Russia

The Transport Strategy 2030 of the Russian Federation takes into consideration large infrastructure projects in the Barents Region. First of all, the question is about the development of the transport node in Murmansk, which entails construction of a new deep-water port on the west side of the Kola Bay for handling oil products and coal. The port would be part of the North-South transport corridor. Other large investment projects are:

1. Upgrading of the Great Port of St. Petersburg.
2. Other terminal projects that are implemented in Barents ports as Brownfield or Greenfield projects are: Archangelsk, Murmansk, Viborg, Belomorsk, Primorsk, Vysotsk, and Teliberka in the Murmask Region.
3. Upgrading works are underway on the Kola Road, R-21, St. Petersburg-Petrozavodsk-Petshenga-Norwegian border.

Northern Sea Route

In 2012, active measures were taken to help exploit the arctic regions. The law regulating commercial navigation in the Northern Sea Route (NSR) was approved. Also, the Administration of the NSR was established. Based on these regulations a system of permitting navigation in the NSR was set up. Now, it is possible to obtain a transit permit using the Administration's official website.

Navigation through the NSR takes 7- 20 days depending on the selected route and prevailing ice conditions, and without calling at ports.