

Protocol no 3 (DRAFT 4/11.4.2000)
Steering Committee of
the Barents Euro-Arctic Transport Area
Date: November 26, 1999
Place: Rovaniemi, Finland

Members present: Rita Piirainen, Ministry of Transport and Communications in Finland, Leena Taillefer, Ministry of Industry, Employment and Communications in Sweden, Kjell Rosanoff, Ministry of Transport and Communications in Norway, Vyascheslav Parfenov, Ministry of Transport in Russia, Boris Sitkov, Ministry of Railway Transport in Russia.

Other participants: Douglas Carpenter, European Commission; Bo-Erik Ekblom, Norrbotten County Administration; Tarjei Weseth, Norwegian Ministry of Transport and Communications; Tuija Maanoja, Finnish Ministry of Transport and Communications; V.S. Avetisjan, Russian Highway Agency; Vladimir Belozerov, October Railway; V.F. Kovalev, Geographic information Centre of NW Russia; Alexander Berdino, Tacis Technical Office, Petrozavodsk; Tuomo Molander, Regional Council of Lapland; Per Munkerud, Nordlands Fylkeskommune; Lars Nilsson, Länstyrelse Västerbottens län; and Martti Miettinen, secretary.

§1 Opening of the Meeting

Mrs. Piirainen wished the participants welcome to Rovaniemi and opened the meeting.

Ms. Piirainen reminded that the main tasks of the Finnish agenda for the BEATA chairmanship have been:

1. The definition of the backbone network
2. Creation of the GIS database for the area
3. Data collection

Ms. Piirainen continued her report on the Finnish chairmanship. The first version of the BEATA backbone network was put forward in the second Steering Committee meeting in Hanasaari in June. Since then, the chairman and the secretary have visited all the parties and discussed the proposed network more in detail. Furthermore, there have also been several regional meetings, where the backbone network has been presented. The current network reflects the comments received in these meetings.

In addition to the backbone network, the Finnish secretariat, with the great help from the other parties, has collected relevant data of the backbone network and stored them in a GIS database. This work has now been completed and the backbone network along with the database stored on CD-ROM. The diskette will be given to the participants of the meeting.

The future events during the Finnish chairmanship will include a joint meeting with the Committee of Economic Co-operation of the BEA Council on January 19, 2000. Before March 2000, the Finnish chairman and secretary will prepare the annual report, as required by the Memorandum of Understanding, for

- the BEA Council
- the G-24 Transport Working Group
- the European Commission

§2 Meeting agenda

The agenda (Appendix 1) was adopted.

§3 Minutes of the Second Meeting of the Steering Committee (Protocol no 2)

The minutes of the second meeting of the Barents Euro-Arctic Pan-European Transport Area (BEATA) Steering Committee in Helsinki (Hanasaari), Finland, on June 9, 1999 were approved (Appendix 2). Some comments have been received earlier, which were already inserted in the current text of the minutes.

§4 Reports of the BEATA members

Norway: Mr. Rosanoff informed the participants that the Minister of Transport of Russia, Mr. Franck, had just visited Oslo. The BEATA process was also discussed and both the ministers agreed that the process must continue but at a more practical level.

The Transport Administration's proposal for the upcoming Norway's National Transport Plan 2002-2011 has now been submitted for commenting. The final Plan will set the priorities for transport development, which includes also areas belonging to BEATA. Norway's general priorities in this area include the E6 road, rail capacity improvements and the northern maritime corridor. Other international connections have not been priorities so far. The final Plan will be presented as a Report to the Parliament in spring 2000.

The North Norway Committee will convene on 30.11.1999. Transport will be on the agenda, which includes the connections to/from the Murmansk area *and the Northern maritime Corridor*. A report is under preparation *on improvements in and further development of cross-border impacts communications*.

Norway and the Murmansk area have co-operated in the construction of the Nikel – Priretshnyi road. Further work is still needed. In May 1998, Norway and Russia agreed to relocate and modernise jointly the border station in Borisoglebsk, Russia. *The new station will be in operation in 2001.*

Sweden: Ms. Taillefer reported that the preparation of the long-term Transport Strategy Plan is nearing its completion also in Sweden. The priorities are road and railway connections. The Plan incorporates the revised TEN guidelines. Projects include E-roads

and the Bothnian railway. The Plan puts more emphasis on the concept of Northern Dimension and northern areas in general.

Russia: Mr. Parfenov noted that the year has been very active in the BETA process. Other related events include the ministerial meeting on the Northern Dimension in Helsinki, 12.11.1999, and the Northern Sea Route meeting in Oslo last week.

Mr. Parfenov went on and presented the comments from the regions in Russia. The Nenets Autonomous Okrug has reported that a Barents Euro-Arctic Council meeting had convened in Luleå, Sweden, in September, where they had presented the Nenetsian transport projects. So far, not western participation in these projects has been found. Also the Archangelsk Oblast presented a list of projects including a river harbour project and improvements of the Archangelsk international airport. The Murmansk Oblast has many activities underway in the transport sector. These mostly involve the improvements of the Murmansk harbour. The Kirkenes-Murmansk road has been improved with the help of Norway and all-year-round traffic is envisioned. This year 20 km of road has been surfaced. Mr. Parfenov regretted that there was no report from the Republic of Karelia.

Mr. Sitkov covered the railway developments in Russia. The Ledmozero – Kotchkoma railway has been contracted to the Gelleflint company. Recently the ownership of this company is being transferred to the Russian Railway Ministry (MPS), which now owns 93% of the shares. It is envisioned that this 123 km long new railway will be opened to traffic in 2001 with commercial traffic starting already in the fourth quarter of 2000. The railway is designed for freight traffic up to 6 million tons per year.

EU Commission: The EU Commission has been reorganised considerably. Energy and transport have now been combined and a new commissioner nominated. Creation of a new organisational structure is still underway. How BEATA is dealt with in the Commission and who the responsible persons are, will probably be known only after Christmas.

Finland has conducted the tour of the capitals on the Northern Dimension and the preparation of an Action Plan will now follow. The Helsinki meeting conclusions must also be analysed.

§5 Reports from other participants

Chairman of the transport group of the Barents Regional Council, Mr. Ekblom, gave the information that the transport group has updated its earlier report "Transport Analysis of the Barents Region". The new draft report includes some new links, such as a transport corridor from Mo-i-Rana to Petrozavodsk and heavy rail connections between the seaports. ~~The draft report proposes also to set up a transport forwarding company first in the Umeå and Vasa areas.~~ A tourism project promoting the Barents Road concept is included. The transport group's report will be presented to the Regional Council in December 1999.

The three Norwegian regions *counties* were represented by Mr. Munkerud from Nordland. From their perspective the main transport issue in the region is the National Transport

Plan 2002-2011, which is now being discussed. In North Norway there are also other fora for transport questions, i.e. the North Norway Committee and the Regional Committee. The regions emphasise the Northwest Corridor along the Norwegian and Russian coastline. Potential projects include the railway from Kirkenes to Nikel, one road from Finnmark to Finland, one road from Troms to Finland, one road from Narvik to Sweden and the E12 road to Umeå. The last proposal (E12) will however entail considerable investments. A report is expected in summer 2000. There is also a need to study an airlink between Bodø and Umeå.

The regions in Finland prioritise transport connections to/from Russia, according to Mr. Molander of the Regional Council of Lapland. These include the Salla road and border crossing, which is to be opened to traffic in 2001; Ivalo-Lotta –road, which is now under construction with a support from Interreg; the Barents Road; and the road and border crossing Suoperä – Kortesalmi. As regards the railways, a wheel gauge changing equipment is needed in Haparanda. In addition, there is a missing railway link Salla – Alakurtti. Aviation connections are also a concern as there is now no airline service between Finland and Norway and Sweden. The route Archangelsk-Murmansk-Rovaniemi-Luleå-Narvik is important. In the near future, a serious problem will rise in regional aviation due to a new EU regulation banning cross-subsidies between high and low volume airports. Work on logistics centres has started in Finland, where a centre is being developed in Kemi.

Mr. Belozarov of the October Railway (OR) reported that the OR is responsible only for part of the railway network in the BEATA area, as the Northern Railway operates in the Archangelsk Oblast and the Nenets area. Mr. Belozarov stressed that the OR system has a high capacity, that is 2-3 times greater than the existing traffic. At present, there is an electrification project underway north of Petrozavodsk, which will eventually increase train speeds and reduce travel time to/from Murmansk. The OR plans to increase freight traffic to Joensuu, Finland: Also in June/July 2000, a regular passenger train service will be opened between Petrozavodsk and Joensuu, which is a joint project of the regional administrations in Karelia and Finland. One of the important tasks of the OR is to upgrade railways around the Murmansk harbour. This project supports the BEATA concept very well and should be of interest for foreign partners.

The comments of the Russian Highway Agency (RHA) were given by Mr. Avetisjan. Currently, the next national strategy for roads is being prepared for 2010. The strategy will be adopted by a presidential decree in spring 2000. The strategy's focus area will be the upgrading of the existing road network, which has regional as well as international importance. Improving connections to seaports will also be important. The RHA's priority road projects, which are not all in the BEATA area, are as follows:

1. St. Petersburg – Vologda – Perm – Jekaterinburg (outside BEATA)
2. Perm – Syktyvkar – Archangelsk. A bridge over the Dvina River is under construction and a bridge over the Kotlas River is planned in 2001.
3. St. Petersburg – Pudoz – Karpogol – (Archangelsk)

The RHA has allocated USD 1 billion for the construction of these roads. Last year 2500 km of roads were built. In the BEATA area, a new road will be built in the town of Nikel. USD 52 million will be used for the Kola Bay bridge in Murmansk.

The ~~most~~ most important roads crossing the borders, *but not in the Federal road system*, are: Ylätuloma – Finnish border (150 km); Kandalaksha – Finnish border; Kostomuksa road; and the toll road Petrozavodsk – Parikkala (Finnish border). There is however no timeframe for the completion of their improvements.

In addition to the above, Mr. Ekblom from Norrbotten informed that the work on the Kalax/Luleå cargo airport has been completed and now the airport has the longest runway in the area (3350 m).

§6 Framework for the future BEATA program development

Ms. Piirainen remarked that the main outside contributor to the development of the BEATA transport system is the EU and its three grant programs. The regulations of all of them will be renewed in 2000.

Mr. Molander reported on the new Interreg Program, which will be called Interreg III and implemented in 2000-2006. The program will have three strands: (A) for cross-border co-operation, (B) for trans-national projects, and (C) for inter-regional programs. The program funding has increased three-fold to 120 million euros in case of Finland. Strand A is most important accounting for 70-75% of all the anticipated expenditures. The program concerning the BEATA area under Interreg III is the Barents program with focus on Murmansk and Archangelsk regions. Program preparations have started under the Finnish leadership. Currently, suitable parties are being identified. A draft program will be drawn up at the beginning of 2000. The program will be submitted to the Commission in April and its approval is expected in summer. Implementation could start thus in autumn 2000. So far, there are no transport projects in the anticipated program. In the discussion it was brought up that the EU does not allow direct subsidies to airline operators, which makes the supporting of low-volume flight routes difficult.

As regards the TEN program Mr. Carpenter pointed out that it is at the crossroads. There will be a new financial regulation allowing multi-annual programming and risk-capital contribution. In addition, there will be a revision of the TEN guidelines with expanding priorities including logistics, traffic management and interoperability. A total of 4.5 billion euros will be available in the program years. In the BEATA area there will also be major TEN projects. One already decided project is the Botnia Banan, a coastal railway in Sweden.

Mr. Carpenter continued and presented also the new Tacis program. In Tacis there will be 4 billion euros allocated between a number of uses. Over the years the share of transport in Tacis has declined steadily. In 1997 it was only 5%. In the new Tacis 2000 – 2006 there can only be three priority areas, selected out of a total of seven. In Russia it is not likely that transport will be among priority areas. In addition, the new Tacis program should support the objectives of the PCA (Partnership and Co-operation Agreement). These

conditions will pose a challenge for the implementation of the action programmes like Helsinki corridors and PETRAs in Russia. In 1999, Tacis has allocated 2 million euros for the “Road management in North-West Russia”, the only new transport project in the BEATA area.

Mr. Berdino explained the practical operation of a regional Tacis office in Petrozavodsk. Their task is to disseminate information about Tacis and help the local parties prepare Tacis applications. The latest transport related application has been the assistance for the improvement of Kivijärvi railway border station at the Finnish border in Karelia.

§7 BEATA backbone network

Mr. Miettinen explained the status of the BEATA backbone network. It was reminded that the network was first presented in the Hanasaari/Helsinki seminar in June 1999 and later also in several other work meetings. Many of the participants had also had an opportunity to give comments. In the ensuing discussion several new transport links were proposed for the components of the BEATA backbone network. The Steering Committee decided as follows:

- A. Transport links to be included in the BEATA backbone network:
- The road from E6 to Hammerfest port in Norway
 - ~~The road between Sorvågen and E6 (Bjerkvik)~~ *continuation of E10 from Norvik to Å in Lofoten, Norway*
 - A railway branch from the trunk railway (stambanan) to Piteå port in Sweden
 - A railway branch from the trunk railway (stambanan) to Skellefteå port in Sweden
 - Bothnia railway south of Umeå
- B. The transport node to be eliminated from the BEATA backbone network:
- Andselv airport in Troms fylke, Norway
- C. Other links presented for the possible future inclusion in the BEATA backbone network are the following:
- Rt. 93 from Alta, Norway, to E8 in Finland (via Enontekiö).
 - Rt. 92 from Karasjok to Rt. 93 in Norway.
 - Swedish Rt. 95 and Norwegian Rt. 77 between Arvidsjaur in Sweden and E6 in Norway (part of the Barents Road).
 - A shortcut road between E12 (Gardjonas) and Rt.45(Sorsele) in Sweden.
 - The road Karpogol – Pleseck - M8 in Archangelsk Oblast
 - The road between M8 (~~Velsk~~)(*Dolmatovo*) and Kotlas in Archangelsk Oblast
 - *The road from Pudozh to the border of Karelia (and on to Vytegra)*

Mr. Carpenter expressed an opinion that, in the future, the Barents Road should be given priority. Furthermore, he did not see necessary the inclusion of the Lofoten road in the backbone network for the lack of apparent international significance.

Ms. Piirainen underscored the fact that there will be future development of the transport system in the region proposing that the Steering Committee will again review the BEATA backbone network in two years' time.

§8 Russian chairmanship

Mr. Parfenov informed the Steering Committee the following as regards the Russian chairmanship in BEATA in 2000:

- a. The Russian party proposes that the next chairman will be Mr. Parfenov from the Ministry of Transport of the Russian Federation.
- b. The Russian chairman plans to concentrate on the issues of the Northern Sea Route.
- c. There will be two meetings of the BEATA Steering Committee organised by Russia in 2000. The first one will be in Murmansk in April/May 2000, where a meeting of transport ministers is likely to convene as a follow-up of the Archangelsk ministerial meeting in 1996. Official invitations will be sent to the members of the Steering Committee closer to the time of the meeting. The second meeting can be organised in connection with the Second Euro-Asian Transport Conference in St.Petersburg, 12.-13.9.2000.

Mr. Parfenov proposed that also the Russian Highway Agency should be granted the full membership in the BEATA Steering Committee. Ms. Piirainen responded that this is a question for the signatories of the Memorandum of Understanding. She recommended that all the members of the Steering Committee should inform their respective Ministries of Transport about the Russian proposal. Next time when the minister of transport will meet, this issue can be addressed with adequate authority. Until then the RHA can participate in the meetings as an observer.

§9 Other proposals and initiatives

As it was mentioned in the beginning of the meeting, the BEAC Committee of the Economic Co-operation will organise one of its meetings in Saariselkä, Finland, on January 19, 2000. The BETA Steering Committee is invited to participate in this meeting. Ms. Piirainen recommended the participation and proposed that each member will let the chairman know about his/hers intentions the soonest. The meeting program will be provided at a later date.

There were also other possible developments in BEATA in 2000 as follows:

- The Swedish Ministry of Transport proposed that Sweden could consider carrying out a review of Nordic projects suitable for inclusion in the BEATA program. A more exact plan for this task will be prepared later.
- The Ministry of Transport of Norway informed that Norway might be willing to study the question of traffic forecasting in the BEATA area. Also in this case a more detailed study approach will be provided later.

The proposals of Sweden and Norway were accepted.

§10 Closing of the meeting

The Chairman closed the meeting with the following conclusions:

- The Steering Committee has now accepted the first definition of the BEATA backbone network.
- There is a general understanding of the Russian chairmanship next year.
- The fourth meeting of the Steering Committee will be held in Murmansk in spring 2000.

The BEATA annual report will be prepared early 2000 and submitted to the BEA Council, the G-24 Transport Group and the European Commission.

In the meantime, an unofficial work meeting will be held in Saariselkä, January 19, 2000 in connection with a joint meeting with the BEAC Committee on Economic Co-operation.

Martti Miettinen

Rita Piirainen

APPENDICES:

1. Agenda
2. Protocol no. 2
3. BEATA backbone network maps