PROTOCOL No. 4 (Finalised 26.09.2001) The 4th meeting of the Steering Committee of the Barents Euro-Arctic Transport Area Date: May 24, 2000 Venue: Murmansk, Russian Federation

Members present: Mr. Vyacheslav Parfenov, Ministry of Transport of the Russian Federation; Mr. Victor Volkov Ministry of Railway Transport of the Russian Federation; Ms. Tuija Maanoja, Ministry of Transport and Communications of Finland; Mr. Tomas Brolin, Ministry of Industry, Employment and Communications of Sweden; Mr. Kjell Rosanoff, Ministry of Transport and Communications of Norway; Mr. Ioannis Gheivelis, European Commission.

Other participants: Mr. Tarjei Weseth, Norwegian Ministry of Transport and Communications; Mr. Martti Miettinen, Finnish Ministry of Transport and Communications; Mr. Vladimir Beloserov, Russian Ministry of Railway Transport; Ms. Elena Fedorova, Russian Ministry of Transport; Mr. Alexander Ushakov, Russian Ministry of Transport; Mr. Gennady Gurianov, Murrnansk Regional Administration; Mr. Vladimir Dovgan, the Chairman of the Committee on Economic Policy of the Murmansk Regional Administration; Mr. Ivan Chemko, Archangelsk Region; Mr. Dmitry Parri, Republic of Karelia; Mr. Victor Burlaka, Nenets Autonomous Region.

I. Opening of the Meeting

Mr. Vyacheslav Parfenov, Chairman of the Steering Committee, opened the Meeting.

Mr. Gennady Gurianov, Vice Governor of the Murmansk Region, greeted the participants of the Meeting. In his speech he described in detail the activities of the Murmansk Regional Administration on the development of the external economic contacts, first of all, with the neighbouring Scandinavian states, however regarding the common interests of all the participating countries. This organically corresponds to the conception of the development of the united European economic area.

Mr. Gurianov has also expressed a hope that the "Northern Dimension" project will revive the co-operation of the European Union with the North-western Russia and other countries and intensify the economic interaction of the states on the mutually beneficial bases. The Vice-Governor pointed out the importance of the Northern Sea Route, which could become a regularly used, international, transoceanic and transcontinental major route in the next century. In this case, the development prospects of not only the Murmansk Region, but also of the other Barents Euro-Arctic Transport Area members would be linked with this project.

2. Adoption of the Meeting Agenda

The Agenda (Appendix 1) was adopted without any alterations.

3. Discussion on the Progress Report of the Finnish chairmanship to be presented to the EU Commission and the G-24 Transport Group

The Steering Committee approved the BEATA Progress Report.

4. Minutes of the Third Meeting of the Steering Committee (Protocol No 3)

The Minutes of the 3rd Meeting of the Steering Committee of the Barents Euro-Arctic Pan-European Transport Area (BEATA) in Rovaniemi, Finland, November 26, 1999, were approved.

5. Reports by the representatives of the BEATA member states on work results of the Steering Committee in 1999 and analysis of the regional situation in realising the priority transport programs

Mr. Vladimir Dovgan (Russia) informed the participants about the problems and perspectives of the Murmansk regional transport infrastructure development. In particular, he pointed out the realisation of the concrete projects of international importance that were recognised as the priority ones at the Meeting of the Ministers of Transport of the member states of the Barents Euro-Arctic Area Council (BEAC), as well as those, which had become the priorities up to the current moment. Mr. Dovgan also underlined, that realisation of some projects goes well due to the good contacts with the Scandinavian partners. He thanked Norway and Finland for the financial contribution to the realisation of a number of projects and suggested actuating the list of the priority projects of the transport infrastructure development. Finally, Mr. Dovgan expressed a hope, that the financial support for Russian projects will be increased, in particular, at the expense of the European Union.

<u>*Mr. Ivan Chemko</u> (<i>Russia*) reported, that in the sea harbour of Archangelsk the bottom deepening works were being carried out and the new freight overloading equipment was being put up. He also told about the Archangelsk airport reconstruction, aimed to allow the reception of such kinds of aeroplanes as IL-144 and AN-24, as well as about the development of roads.</u>

<u>Mr Dmitry Parri</u> (*Russia*) informed the Meeting participants about the development of the Karelia road network that has a total length of 12 742 km. 7 645 km of the network are roads for common usage, including 707 km of the Saint Petersburg - Murmansk "Kola" federal highway. On the roads of the Republic of Karelia there are about 950 bridges (15 100 lineal m). 419 of them are wooden (6 900 lineal m) and this considerably worsens the complicated situation on the roads. Some bridges need rebuilding, because they don't correspond to the requirements for carrying capacity (450 bridges, 7 400 lineal m) or height and width standards (338 bridges, 6 700 lineal m).

In 1999, there were built and reconstructed 32 100 km of roads, including:

- A 13.4 km long section of the Dolmatovo Nyandloma Cargopol Pudozh road (298-310 km);
- A 7.8 km detour around Petrozavodsk on the Petrozavodsk Suoyarvi road;
- A 10 km long section of the Vologda Kirilov Pudozh Medvejiegorsk road (571-581 km);

In addition, 9 new bridges (418 lineal m) were built and 3 railway bridges reconstructed.

<u>*Mr. Victor Burlaka*</u> (*Russia*) informed about the condition of affairs in the field of the realisation of the four projects of transport infrastructure development in the Nenets Autonomous Region, which were included in the Archangelsk Statement of the Ministers of Transport of the BEAC member states:

- 1. By January 1, 2000, at the expense of the Territorial Road Fund a 52 km long section of the highway Naryan-Mar Usinsk has been built in gravel. At the moment, in section 52 72 km, there are works being carried out, which are planned to be financed using 150 million roubles from the Federal Road Fund in 2000. If the further works are financed as much as in 2000, the construction of the road will be finished in 4-5 years. This will allow having the all-year-round connection with the transport communications of the European part of Russia.
- 2. The reconstruction of the Naryan-Mar airport stipulates the implementation of works, valued at nearly 30 million roubles. In particular, it is necessary:
 - to widen the landing strip up to 44 m;
 - to surface the landing strip using the modern technologies;
 - to change the lighting system
- 3. The coastal terminal in the Varanday River region is being built by the means and at the expense of the Archangelskgeolodobycha and Varandayneftegaz enterprises. By 2010, the volume of extraction of mineral oil should increase up to 25 million tons per year. Transport will be provided by means of a tanker fleet, which will use the 3.5 km long loading facility.
- 4. The reconstruction of the seaport has been stopped because of a decrease in freight processing.

<u>*Mr Vladimir Beloserov</u> (<i>Russia*) reported on the state of affairs in the field of constructing the Ledmozero - Kochkoma railway and informed about the plans to organise the experimental trip on the railway this year and to provide the electrification of this route next year. Besides this, it is planned to electrify the Murmansk - Tver and Murmansk – Saint Petersburg railways and the branch connecting the Northern Railway with Archangelsk.</u>

Mr Beloserov was concerned about the high passenger fare, assigned by the Finnish party for the section from the Russian border to Joensuu (70 km). As the result the ticket for this route is more expensive than for the section from the Russian border to Helsinki.

The October Railway and the Murmansk Regional Administration have concluded the agreement on the reconstruction of the complex of buildings of the railway station. All the interested investors are invited.

<u>*Mr. Victor Volkov*</u> (*Russia*) pointed out that the Ministry of Railway Transport of the Russian Federation had allocated a significant amount of money to complete the building of the Ledmozero-Kochkoma railway until 2001. The freight capacity of the railway will be equal to 6 million tons per year. The works on the railway line Murmansk - Saint Petersburg are in progress.

The proposal concerning the construction of the railway line Murmansk - Nikel - Kirkenes is being scrutinised. It is necessary to undertake complex investigations of transport needs and start feasibility studies.

The railway line Kandalaksha – Alakurtti - Salla will not be built, because, according to the estimations of experts, the potential volume of freight transport will be only 1.5 million tons per year and the construction costs about \$ 80 million.

<u>Mr. Kjell Rosanoff</u> (Norway) has positively appreciated the co-operation of the countries in the BEAC framework. As for the projects from the Ministerial meeting in Archangelsk he noted that work on projects directly concerning Norway (although mostly on Russian territory) is progressing following agreed plans. He in particular referred to the road connection between Kirkenes and Murmansk and the border-crossing facilities on this road.

The Steering Committee was informed that due to change in Government the Norwegian National Transport Plan would be delayed until September. With the possible exception of a fixed link on the E10 to the Lofoten archipelago, no new links in the BEATA backbone network was foreseen in the upcoming plan. However, several improvements on the existing network, concerning all modes, was foreseen. The Committee also was informed about an ongoing study undertaken by the Finnmark region, in co-operation with Troms and Nordland, on developing communications further between Northern Norway and Northwest Russia. Although covering a larger area, this study will emphasise the Kirkenes – Murmansk connection (covering all modes) and in particular maritime transport in the area.

<u>*Mr. Tomas Brolin*</u> (*Sweden*) pointed out that Sweden is interested in the development of railway and road communications with the Russian Federation. Currently a proposal for the aim and direction of investment projects during the period of 2003-2012 are being prepared for the Swedish Parliament. New investment plans will become effective in 2003 and replace the current plans for the period 1998-2007.

In August 1999, construction began on a 190 km long railway line along the Bothnian Bay. Outside the BEAC region, the Öresund Bridge between Sweden and Denmark will be opened for traffic on June 30, 2000. The bridge is a combined road and rail connection. Road traffic has to pay for using the bridge. The bridge will connect Sweden and Finland closer to Denmark and Western Europe.

<u>Mr. Ioannis Gheivelis</u> (European Union) informed about the reorganisation of the EU Commission, which has resulted in the creation of Directorate General for Energy and Transport (DG TREN). He also told about the changes in the DG TREN's managing staff. He noted that the BEAC member states work significantly more actively in the field of transport than in other spheres. Mr. Gheivelis pointed out that the Commission engages mostly in the realisation of great transport projects and in attracting to them the international financial institutions and private investors.

<u>Mr. Vyacheslav Parfenov</u> (Russia) informed the participants about the changes in the structure of the federal transport authorities and three past meetings of the Russia-EU Subcommittee on Transport. He also spoke about the elaboration of the Russian Special Federal Programme "The International Transport Corridors Development", which would include all the Russian suggestions concerning the extension of the Pan-European Transport Corridors into the territory of Russia and developing the European transport connections across this territory.

<u>Mr. Martti Miettinen</u> (Finland) pointed out that in the 3rd Meeting of the Steering Committee the BEATA backbone network was specified in accordance with each country's suggestions. He also informed that the Secretariat of the Steering Committee has received many suggestions for transport projects in Russia. However, in his opinion, we first should agree on general goals and objectives for the BEAC region. According to Mr. Miettinen's point of view, it is necessary to co-ordinate the actions on the modernisation and development of the BEAC regional transport infrastructure and devise an approach, which follows the example of other similar international programmes.

<u>Mr. Kjell Rosanoff</u> (Norway) reminded the participants that at the last meeting in Rovaniemi they had discussed the possibility to look into questions of transport forecasting in the BEAC region. Conditions differ within the region, as do national traditions of and approaches to transport planning. As for international transport within the area, we from historical reasons do not have a sound empirical basis for forecasting. A uniform framework for traffic demand forecasts in the area will therefore be a rather ambitious task.

As a first approximation, Mr. Rosanoff proposed to undertake a comparative analysis of forecasting methods used and key variables in a limited number of existing studies in the area. Based on such comparisons some conclusions might be drawn on obvious inconsistencies, and thereby have a better basis for making recommendations for further studies and improvements and/or evaluation of the existing ones. The delegates were called upon to make such studies (in English or Scandinavian language) available to the Norwegian delegation. Studies made under the umbrella of the TACIS North-west Russian Transport Development projects were pointed at as a possible source for studies of potential Russian projects.

<u>Mr. Tomas Brolin</u> (Sweden) proposed to the BEATA Steering Committee to take a joint action for preparing such material from which common priorities for further work can be drawn. Sweden could take a leading role in such a work. Mr. Brolin proposed all participating countries to present the currently valid investment plans. On the basis of this material from Norway, Finland, Russia and Sweden, one action could be to set up a common prioritised list for investments in the area of the BEATA co-operation. The list should be divided into a couple of prioritised groups. A proposal for dividing the groups will be presented before the coming vacation period. An outline of division could be as follows:

- 1. transport investment projects decided to be realised before 2004
- 2. transport investment projects decided to be realised in the period 2005-2010
- 3. projects which are still being elaborated
- 4. all other initiatives

Mr. Vyacheslav Parfenov (Russia) delivered the conclusive speech.

6. Specification of the regional transport network development scheme

<u>Ms. Tuija Maanoja</u> (Finland): "The Finnish Chairman and Secretary of the BEATA cooperation had prepared the "Progress Report on the Barents Euro-Arctic Transport Area (BEATA)" in last December already. As your know, a report like this is mandated in the BEATA Memorandum of Understanding. I might add that this is the first Progress Report prepared by the BEATA Steering Committee and it should be submitted to the Barents Euro-Arctic Council, G-24 Transport Group and European Commission.

In the report we state the following:

• The Finnish Ministry of Transport and Communications has held the chairmanship of the Steering Committee of the BEATA since March 1999.

- The Action Programme for the first five years 1999-2003 was prepared by the Permanent Secretariat at the end of 1998, and the Programme was adopted in Helsinki on June 9, 2000.
- Main objectives of the Finnish agenda for the BEATA chairmanship have been to implement the first year of the Action Programme, more specifically the following:
 - I. Creating the framework for co-operation in BEATA;
 - 2. Defining the backbone network for transport in the Barents area;
 - 3. Creation of the BEATA database and collection of network data.

On March 14-15, 2000, the Barents Euro-Arctic Council held its 7th session in Oulu, Finland, and the BEATA Progress Report was presented there at that time. Recently we have also sent the Progress Report to the EU Commission in Brussels. Unfortunately, the time of the G-24 has been again postponed, so we have not been able to present the BEATA Progress Report to this forum.

7. The perspectives of the Northern Sea Route development

<u>Mr. Alexander Ushakov</u> (Russia) informed the participants about the problems and perspectives of the development of the Northern Sea Route (NSR), which joins the largest Siberian waterways into one whole transport network. The NSR is the only way for heavy freight transport to/from several northern Arctic regions and simultaneously has a great potential in providing the commercial ties between the countries of Europe, Asia and North America. Therefore everything dealing with the NSR is an important part of the Russian national politics.

The purpose of the ARCDEV programme is to attract the attention of the businessmen, cargo-owners and ship-owners for the NSR and to show them the potential of this major transport waterway in the organisation of the international commercial shipping between the European, Asian and North American countries.

The results of the investigations lead to evaluate optimistically the competitiveness of the NSR in comparison with the southern transit variants. This conclusion made by the international scientific group increases the NSR attractiveness among the providers of foreign investments for the joint projects of transit and regional transportation.

8. Meeting of the Ministers of Transport of the BEAC member states in the framework of the Second International Euro-Asian Conference on Transport in Saint Petersburg on September 13, 2000

<u>Mr Vyacheslav Parfenov</u> (Russia) informed the participants that the Meeting of the Ministers of Transport would take place on September 13 in the framework of the 2nd International Euro-Asian Transport Conference in Saint Petersburg.

9. Formation of the geographic informational system in the BEATA region

<u>Mr Martti Miettinen</u> (Finland) notified that Finland has experience in the field of elaboration of geo-information systems, in particular, for transport and in the BEAC region. All of the information can be stored on a diskette using a specific programme. The Finnish party has the means to finish this work, but it needs certain information from the member states. It is important to discuss this problem and decide how the work should be concluded. To be accessible, all the information will be distributed on the Internet.

<u>Ms. Tuija Maanoja</u> (Finland): "We have examined and approved the Plan of Actions of the Steering Committee in 2000, prepared by the Russian party. This year the main action would be the Meeting of the Ministers of Transport of the BEAC member states, which will take place on September 13 in Saint Petersburg in the framework of the 2nd International Euro-Asian Transport Conference.

We support the Russian proposal to take the necessary measures to intensify work on the realisation of priority transport programmes. We would like to propose the preparation of a list of the most important projects and to bring the information about them in the database."

10. Discussion on the proposal of Finland to continue the Joint Meetings of the Steering Committee and BEAC Working Group for Economic, Scientific and Technical Cooperation

<u>Ms. Tuija Maanoja</u> (Finland) expressed an opinion that the experience of the Joint Meeting had been very positive and this should be repeated in January-February 2001.

11. The 5th meeting of the Steering Committee

<u>*Mr. Vyacheslav Parfenov</u> (<i>Russia*) proposed to hold the next Meeting of the Steering Committee in Moscow jointly with the BEAC Working Group for Economic, Scientific and Technical Co-operation.</u>

12. Closing the Meeting

Mr. Vyacheslav Parfenov (Russia) closed the Meeting.