



International Barents Secretariat

Annual Report 2013

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The Barents cooperation in 2013

The year 2013 was marked by the 20th Anniversary of the establishment of the Barents Euro-Arctic Council (BEAC). Commemoration took place on 10-11 January 2013 at the venue of signing the Kirkenes Declaration by the Foreign Ministers of the Barents Member States. The Prime Ministers convened on 3-4 June 2013 in Kirkenes to issue a new declaration which reaffirmed the commitment to the principles of the first one, took stock of accomplishments in the Barents cooperation and considered its outlook. In addition to these anniversary events the Barents parliamentarians had their conference on 23-24 April 2013 in Harstad, Norway. The BEAC held its XIV Session on 29 October 2013 in Tromsø where Finland took over the chairmanship from Norway for the next two-year period. Apart from this Barents Foreign Ministers' biennial meeting also the Barents Transport and Environment Ministers held their own meetings, on 23-24 September in Narvik, Norway, and on 4-5 December in Inari, Finland, respectively.

As issues of considerable significance distinctive for the Barents cooperation in 2013 could be listed the following: the major project of an Action Plan of Climate Change, the lack of East-West multimodal transport connections in the region and the need to reactivate economic cooperation. These issues are partly interconnected, not least because of sustainability. It is therefore understandable that several working groups touched upon them from different perspectives like education and research, tourism, the youth and the indigenous peoples' interests.

Finland launched three guiding principles when it took over the BEAC Chairmanship from Norway: *coherence, cooperation and continuity*. The Finnish priorities on economic cooperation, incl. transport and logistics, on the environment and other areas demonstrate the continuity and the firm foundation of the Barents cooperation.

The Barents working groups

Most of the 15 Barents working groups held their meetings in 2013. A very positive new feature in the work is the trend to organize joint meetings with such working groups whose activities may touch upon the same themes. Synergy is also being sought as was called for by the four Regional Sister Councils of the North at a meeting hosted by the Nordic Council of Ministers in the presidency and secretariat format on 20 September 2013 in Copenhagen.

Admittedly, there are also some negative phenomena such as low attendance at meetings of certain working groups and problems with finding new chairmen for some working groups.

The Working Group on Environment (WGE) held three meetings in 2013 (25-26 April in Rovaniemi, 4-6 September in Oulu and 13-14 November in Helsinki). The WGE paid special attention to the draft Action Plan on Climate Change for the Barents Region that was high on the agenda at all WG meetings. The comprehensive Action Plan compiled with the contribution of most of the BEAC working groups was adopted by the Barents Environment Ministers at their 11th Meeting in December in Inari. Climate change issues and hot spots were extensively dealt with by the WGE at all meetings. The preparations for the Ministerial Meeting required considerable attention of the WGE, incl. the draft Ministerial Declaration as well as a WGE Report.

The WGE was commendably active in its work throughout the whole year 2013. The WGE meetings

have become fairly large events with over 40 experts. Also the four WGE Subgroups hold their separate meetings. The attendance at the meetings was high and representative for the whole Barents region and the reports, presentations and discussions were very professional. There is no doubt that the WGE can be considered exemplary and well led. Russia took over the WGE chairmanship from Finland and informed about its plans for the next two-year period.

The Joint Working Group on Health and Related Social Issues (JWGHS) held two meetings in 2013 (19 March in Kirkenes and 6 November in Petrozavodsk). The JWGHS dealt mainly with the Barents HIV/AIDS, tuberculosis and “Children and Youth at Risk” (CYAR) programmes on which reports were drawn up by the respective Steering Committees and the national and regional authorities. The WG contribution to the Action Plan on Climate Change was also a key issue discussed at the meetings. It was noted that there are challenges in the Barents health cooperation due to divergence of responsibility for it in the Barents Member States and regions.

The JWGHS has been very committed to its work and the professionalism of the experts attending the WG meetings is convincing. Norway and Karelia handed over chairmanship of the JWGHS to Sweden and Murmansk.

The Working Group on Economic Cooperation (WGEC) had two meetings in 2013 (13-14 May 2013 in Tromsø and 9 October 2013 in Oslo). As the WGEC Chair Norway sought to reactivate the WG and initiated to this end a comprehensive study mapping out economic cooperation in the Barents region during 2003-12, incl. investments and financing. It was noted that the lack of East-West air connections is far more detrimental to the development of economic cooperation in the Barents region than corruption and bureaucratic and legal obstacles. Border-crossing facilities and stable and predictable business conditions were discussed as issues crucial for economic cooperation in the region.

The BEATA BRWG on Transport and Logistics and the Joint Working Group on Tourism stand closest to the WGEC. The off-shore activities in the Barents Sea and along the Northern Sea Route can be expected to reflect on the economic cooperation in the Barents region. Mining industry was taken up as a new issue and therefore the Norwegian mineral strategy issued in March 2013 and general information on the corresponding Finnish one were presented at the WG meeting in October.

The Regional Working Group on Investment and Economic Cooperation (RWGIEC) chaired by Norrbotten held a meeting in Luleå, Sweden. A project on border barriers was launched that was carried out by the Swedish Federation of Business Owners in Norrbotten.

Unfortunately, the attendance at the WGEC meetings was partly inadequate. Finland took over the WGEC chairmanship from Norway.

The Barents Euro-Arctic Transport Area (BEATA) Steering Group held three meetings in 2013 (18 June in Oslo, 3 September in Helsinki and 23 September in Narvik together with the BRWGTL). The BEATA Steering Group focused on preparing a Joint Barents Transport Plan aimed at mapping out the future transport needs for the Barents region and on drafting a declaration for the Barents Transport Ministers’ meeting. An Expert Group set up for the Joint Barents Transport Plan accomplished its work in barely eight months. The Plan was published and presented to the Barents Transport

Ministers at their meeting in Narvik. A corridor approach adopted for the Plan was considered fruitful. Finland took over from Norway as the BEATA Chair.

The Barents Regional Working Group on Transport and Logistics (BRWGTL) had three meetings in 2013 (15 January in Tornio, 23 September in Narvik together with BEATA Steering Committee and 26 November 2013 in Rovaniemi). The main activity of the Working Group was the implementation of the Kolarctic ENPI Barents Freeway project. The preparation of the Joint Barents Transport Plan being drafted by the national transport ministries was also followed up. The cooperation with the BEATA Steering Committee was strengthened. The representatives of the Working Group participated actively in national meetings and forums dealing with transport and logistics issues in their own regions. The members of the Working Group from Finland, Sweden and Norway are involved in the Bothnian Green Logistic Corridor project led by Västerbotten.

The meetings of the Working Group were held in coordination with the Kolarctic ENPI Barents Freeway project's Steering Group meetings. A Workshop of the Barents Freeway project was held on 15-16 August in Murmansk. Finland is the Chair of the BRWGTL.

The Joint Working Group on Education and Research (JWGER) had one meeting in 2013 (in November in Brussels). The JWGER continued its activities according to the chairmanship priorities. Major events were inter alia the international conference "Innovation in Education, Research and Business: Norwegian and Russian perspectives" (March), the benchmarking visits of Finnish universities to Norway and Russia for exchange of experience on university internationalization process (May), Svalbard Research Session with participation of the Ministers of Education of Norway and Russia aimed at strengthening research cooperation, University of the Arctic Rectors' Forum (June), the Russian-Finnish Arctic Partnership Forum (June), international research polar expedition "Floating University" (August), workshop "International Cooperation in the Arctic" for young researchers and entrepreneurs from Nordic countries (November). The JWGER held a joint workshop on planning Barents higher education institutions' participation in the EU Programme "Horizon 2020" and a series of training seminars on CPSCE for Russian universities. The JWGER is chaired by Arkhangelsk and co-chaired by the University in Tromsø that will be followed by the University of Lapland in 2014-15.

The Joint Working Group on Youth (JWGY) held a meeting on 29-20 October 2013 in Oslo. The Norwegian chairman had prepared a draft agreement on financing the BYCO for 2014-16. It was decided to have a one-year agreement (2014) to this end in the amount of 10 000 euro per country. The financing for the remaining three years (2015-2017) should be examined in 2014. The WG adopted the draft Terms of Reference for the Executive Officer of BYCO. Ms Zhanna Guzenko was appointed as the Executive Officer of BYCO for a four-year period. A consensus on the Programme and the Plan of Action of the JWGY will be sought at the next WG meeting. The budget for 2014 was adopted as presented by the Chair. The Russian position on its financing share is still pending. Finland took over the chairmanship from Norway, but it was not possible to nominate a co-chair due to the absence of regional representatives.

The Joint Working Group on Culture (JWGC) held two meetings in 2013 (17-19 April in Sortavala, Russian Karelia, and 19-20 September in Bodø, Norway). The idea of establishing a Barents Culture Prize was discussed and this issue is still pending. However,

due to the challenges of finding a satisfactory scheme and criteria the JWGC proposed to the CSO to consider establishing Barents culture cooperation scholarships rather than a Barents Culture Prize. The CSO requested the JWGC to draft Terms of Reference for such a scholarship. The WG worked on the new strategy of cultural work for the years 2014-2018 and its mandate. The JWGC was presented an update on “the New Horizons”, the largest ENPI cultural project ever which is led by the County Council of Norrbotten. This project consists of five subprojects: Barents Forum of Strategic Cultural Planning and Policy Implementation; Young entrepreneurs for culture and creative sector; Museum, cultural heritage, Northern identity; Barents Art Exhibition, X-border Art Biennial; Sound of Barents. There are 25 partners and 12 provinces that participate.

Finland took over the JWGC chairmanship from Norway.

The Joint Working Group on Tourism (JWGT) held its four meetings in 2013 (7 February 2013 in Stockholm, 17 April in Rovaniemi, 18 June in Archangelsk and 18-19 November 2013 in Tromsø). The JWGT concluded the Public-Private Partnership in Barents Tourism Project (BART) that has been the key issue in its work. This research on tourism was also vital for a study called the *Barents Tourism Action Plan* that was completed and published as a booklet. The Action Plan lists five key areas for the development of tourism in the Barents region. The JWGT chose “accessibility and transportation infrastructure” and the improvement of East-West air service as a goal that is to be promoted by all means since transport connections and especially regular flights are pivotal for developing all spheres of the Barents cooperation. The JWGT updated and renewed its mandate for 2013-17. More visibility will be sought as a branch of business since tourism employs more people than the mining or the fishery sector.

The JWGT was remarkably active in 2013. It had some problems with low attendance at meetings but the situation in this regard seems to have improved. Especially the Archangelsk and Murmansk regions have been very committed to this cooperation. The JWGT is to be chaired by Finland until February 2015.

The Working Group of Indigenous Peoples (WGIP) had three meetings in 2013 (24 January in Tromsø, 4-5 June in Kirkenes and 28-29 October in Tromsø). The main agenda issues were devoted to the results of a side-event seminar of the Arctic Frontiers Conference 2013 organized by the WGIP and the Center for Sami studies at the University of Tromsø; discussions on practicalities of organizing the Barents Indigenous Congress due to be held in autumn 2014 in cooperation with the Sami Parliament in Inari, Finland, and a side-event related to the Preparatory UN Conference in Alta, Northern Norway. Apart from that a new Chairman and members of the working group were selected (the new Chairman takes over in 2014) and the issue of securing permanent financial support for the WGIP was discussed. The future of the Indigee project and the secondment of the IP adviser at the IBS were brought up. During the year 2013 the WGIP addressed various indigenous-related issues such as the maintenance of language and culture, industry, environment, as well as media broadcasting in native languages both during meetings and other arrangements such as side-events and seminars organized by the working

group.

The Indigenous Entrepreneurship project (Indigee) held three project conferences in 2013 (in April in Kautokeino, Norway; in May in St Petersburg, Russia, and in October in Inari, Finland). The purpose of these conferences was to provide lectures and individual counselling as well as organizing business fairs. The final Indigee conference will take place on 27 -29 March 2014 in Umeå, Sweden. The Indigee project is expected to conclude on 30 June 2014. The possible Indigee 3 project would be a successor of the current project with intentions of later expansion to the Arctic areas.

The Joint Committee on Rescue Cooperation held two meetings in 2013 (8-9 April in Helsinki and 2-3 December in Levi, Finland). The Committee was involved in developing and updating the Barents Joint Manual and in planning and evaluating the Barents Rescue 2013 exercise which was carried out on 17-19 September in Nordnes/Lyngen, Troms County. The rescue exercise focused on scenarios related to a possible future rockslide in the area.

Furthermore, the Committee monitored events and incidents related to rescue and emergency response in the Barents region and had an internal ad-hoc group of exercise experts. Norway will take over the chairmanship from Finland in 2014.

The Working Group on Customs Cooperation (WGCC), the Joint Working Group on Energy (JWGE) and the Barents Forest Sector Task Force (BFSTF) did not hold annual meetings in 2013.

Communication activities

The Arctic Centre (Science Communications Unit) and the International Barents Secretariat have cooperated throughout the year 2013 according to their contract. A big effort was the renewal of the structure and the layout of the www.beac.st website. Arctic Centre re-designed the structure according to user feedback. Also the contents of the pages were checked, photos were edited and added.

The Arctic Centre carried out a survey about information needs related to the Barents cooperation. The survey entitled "Information Flow among the Cooperation in the Barents Euro-Arctic Region" was sent in May 2013 to respondents involved in the Barents cooperation as a member of a working group, council or committee. The most interesting topics are related to climate change, economy and transport in the Barents region.

The BarentSaga newsletter was published online three times during the year 2013, including altogether 18 articles. Arctic Centre communications staff visited IBS twice in Kirkenes and had several other discussions with IBS personnel in 2013. The Barents Mediasphere project also supported the Barents communications activities: a group of Finnish editors visited the International Barents Secretariat in Kirkenes in October 2013 with the Arctic Centre staff.

Attendance of the Head of the IBS at various conferences and meetings

Arctic Frontiers Conference in Tromsø, 21-22 January; "Kirkeneskonferansen" in Kirkenes, 4-5 February; a visit of a delegation of the Norwegian parliament to Kirkenes, 13 March; Conference on the Northern Sea Route in St. Petersburg, 11-12 April (presentation); 6th Barents Parliamentary Conference in Harstad, 22-24 April; Barents Reunion in Tornio, 12-13 June; Russian-Finnish Arctic Partnership Forum in Arkhangelsk, 17-18 June; a visit of the Finnish parliament to Kirkenes, 12 September (presentation); a meeting of the four Regional Sister Councils in Copenhagen, 20 September; Stoltenberg seminar in Kirkenes, 1 October (presentation); Arctic Futures Symposium in Brussels, 16-17 October 2013; Conference "In the Spirit of the Rovaniemi Process" in Rovaniemi, 3-4 December.

Staff of the IBS

Due to an amendment to the Terms of Reference of the IBS that was adopted by the CSO in September 2013 the Accountant/Secretary became eligible to reapply for his position without limits. Consequently, a new three-year employment agreement was signed with the current incumbent, Mr Roy Hojem who had reapplied for his position announced vacant before the expiration of his term of office. His new agreement is valid until 7 December 2016.

Climate Change, Environment and Hot Spot Adviser for the IBS

The long process of recruiting a Climate Change, Environment and Hot Spot Adviser for the IBS was finally accomplished in 2013. In addition to an earlier pledge of the Nordic Environment Finance Corporation (NEFCO) to provide funding for the mentioned position Sweden announced in June to grant co-financing together with Finland that had made a similar pledge before. An advertisement on the position was placed at the website of the IBS in August. Over 10 people applied for the two-year position for which was chosen Ms Tuuli Ojala who will take on her new position on 16 January 2014.

Interns

The IBS continued its customary policy of taking on twice a year interns for a period of three months. Ms Jenny Mikkelsen Spring from Kirkenes and Ms Angelina Kochegura from Murmansk did their practice during May-July and September-November 2013, respectively. Because of skills demonstrated at work their contribution was particularly valuable and conducive to complementing the scarce personnel resources of the secretariat.

Financial status 2013 and budget for 2014

The financial situation of the IBS is stable. The working capital funds aimed at meeting short-term liquidity problems pending receipt of contributions have been built up with budget surpluses accumulated from 2008. The funds were in November 2013 approximately NOK 260.000 above the level of 3/12 of the budget provision, as described in the IBS Financial and Staff Rules, Article 4.7. Upon request of the CSO Chair, IBS will

propose actions in order to adjust the level of the funds.

The Financial annual report for 2013 is expected to show a surplus of approximately NOK 350.000, since the costs have been considerably lower than expected in the budget. The IBS will propose to dispose of the surplus for purchase of a new office car, in exchange for the old one from 2008.

The draft budget for 2014 approved by the Committee of Senior Officials in September 2013 is at the same level as the 2013 budget. The total budget of the IBS for 2014 is NOK 3.663.000 (equal to approx. EUR 440.000, as of December 2013).

All financial activities of the IBS will be subject to an auditing procedure in January-February 2014 by the Norwegian external state registered auditor Degerstrøms Revisjon AS. The report and findings of the audit as well as the financial annual report for 2013 will be submitted to the CSO for review and consideration.

Conclusions

Despite the commemoration of the 20th anniversary of the BEAC “business as usual” could in other respect have been the motto of the Barents cooperation in 2013. On the whole the conduct of the Barents cooperation was routine and therefore a boost in terms of better East-West transport connections would be most welcome as advocated on several occasions, particularly in the Joint Barents Transport Plan.

The IBS is pleased that the Climate Change, Environment and Hot Spot Adviser has been recruited. She is expected to strengthen the scarce personnel resources of the secretariat. It is unlikely that the Indigenous Peoples’ Adviser will have a successor. It is not known whether funding can be found or if this position is to be discontinued like the Financial Adviser who would still be useful when the BEAC is due to tackle the issue of a project funding facility for the Barents cooperation.