



Minutes

42nd Meeting of the Subgroup for Hot Spots Exclusion (SHE#42)

Stockholm 2nd – 3rd of September 2015

1. Opening of the Meeting

The meeting was opened in the time scheduled.

The Meeting was attended by:

- Russia (Chair Maria Dronova, Ruslan Butovskiy)
- Sweden (Co-Chair Åke Mikaelsson, Nadya Maslova)
- Finland (Henna Haapala, Emma Nurmi)
- Norway (Hanne Aronsen)

and Observers:

- IBS (Tuuli Ojala)
- NEFCO (Henrik Forsström)
- NEFCO (Tatiana Tiupenko)

2. Adoption of the Agenda

The Agenda was adopted after comments.

Dronova pointed out that SHE group should not discuss Murmansk and Nenets HS in details as they have no HS ready for exclusion, so better to be focused on the other regions.

Mikaelsson was appointed as a Chair of the meeting, Butovskiy – as a secretary.

3. Review and adoption of Minutes the SHE 41

The Minutes from SHE41, after written comments from Butovskiy, Forsström, Tiupenko, Nurmi and Aronsen were reviewed, amended. The final version should be distributed to SHE members next week for adoption.

The group discussed using the “minutes procedure” circulated by Tuuli Ojala in e-mail of 10.03.2015, for future minutes with a 2-week deadline for circulation and for comments.

4. Presentation of and Decisions on Specific Criteria for A3-1, Ko6 and Ko7

Butovskiy presented his proposal for criteria for hot spot A3-1 (Coal-fired power plant in Severodvinsk) . The environmental problem is seen as the elevated air pollution. The proposal includes the introduction of the plan of optimisation of the work of the existing HPP to decrease emissions and increase the production of the energy using the same volume of the combusted fuel;BAT application. At the plant; increase of energy saving and energy efficiency; the permanent monitoring of the following parameters (NOx, SO2, hard particles PM10 and PM 25, CO, pressure, temperature, water and oxygen content), control of GHG emissions. The proposal will be circulated in English in 2 weeks.

Comments:

a) HS A3-1. After the presentation of the template, the serious discussion took place. Mr. Forsström indicated that mercury and ash were not mentioned although there was a lot of projects done and money spent by international donors for this particular HS. Mr. Butovskiy answered that this presentation was agreed with Mr. Popov from Arkhangelsk Ministry for natural resources and the presented S&A report does not contain any data on these particular pollutants.

Ms. Dronova stated that Specific criteria is the document that is being developed for pilot hot spots by consultants (NEFCO). This document in its form is aimed at development of action plans of the enterprises and may serve as guidance developed by consultants and distributed by SHE.

Mr. Mikaelsson stressed the importance of development of the dialogue between SHE and regions.

Usually SHE guides HEGs in how they should fulfill their assignments including the exclusion criteria(?). SHE has to create dialogue with HEGs, formulate the technical issues to get more empowerment from the authorities. It is important to organize a number of meetings of HEGs w/administrations and regional enterprises.

Ms. Tiupenko mentioned that the HEGs have to be well instructed by SHE before and the regions should be guided on the exclusion criteria. In particular the new Federal Russian Laws (219 and 458) should be taken into account.

Ms. Forsström stressed the international scale of work of SHE, although the effect is mainly visible in RF. The benefits of SHE activities should be the social issues and human health.

Ms. Aronsen stated that as we have a HS, the only owner may decide whether to improve the situation or not, and SHE may give recommendation what is relevant to improve the situation. Experts and consultants may develop the recommendations. SHE cannot set criteria but we can give recommendations.

The SHE mandate is to approve specific criteria – the HEGs applications for exclusion should come to SHE.

b) Ms. Tiupenko has presented criteria for Ko6.

The HS name should be changed from “Creation of the system...” to the “The lack of the system”

c) Ko7 template was not yet done. It will be prepared by Ms. Tiupenko in English in 2 weeks.

5. Presentation of and Discussion on possible support activities with HEGs for promoting further progress

a) Presentation of and Discussion on *possible support activities with HEGs: for promoting further progress*

i) promote the hot spots A3-1, Ko6 and Ko7 through the Steps 4-6.

ii) promote the hot spots A3-2, A4, A5, A6, A8, K3, K5, K6, Ko4, Ko5, N2, N3 through the steps 3-6 of the hot spots exclusion procedure (Henrik and Åke)

iii) organise branch-wise Seminars for the Pulp- and Paper Industry,

iv) organise branch-wise Seminars for Water and Wastewater management,

v) organise branch-wise Seminars for Waste Management and Waste Incineration

b) Discussion on prerequisites for launching of the corresponding assignments.

Comments:

a) Ms. Dronova stated that it is more important to develop the specific criteria for HS A3-1, Ko6 and Ko7 as a pilot hotspots and then to replicate these results to the other 12 HS as proposed by Mr. Mikaelsson and Forsström. Mr. Mikaelsson tried to discuss the possibilities to organize the seminars (as supporting activities) including the logistics but most of the questions still have to be answered and thought by SHE and HEG members (program, timing, participants).

b) Ms. Tiupenko raised the point of producing the mandate for NEFCO consultants on behalf of SHE. Ms. Dronova will think about it.

6. Decisions on regarding the next steps for the Specific Criteria for A3-1, Ko6 and Ko7 and Assignments for Possible support activities with HEGs for promoting further progress

The SHE group did not adopt the presented draft specific criteria. The draft specific criteria would need to be developed further. The specific criteria should be translated into English by Mr. Butovskiy and Ms. Tiupenko and circulated to SHE for comments inter-sessionally and discussed within SHE.

Mr. Forsström reminded the necessity of inclusion of other pollutants (ash component and mercury) in specific criteria.

It is important to ensure the understanding of criteria, further progress what SHE will make (mandate, specific supporting activity projects). Ms. Aronsen suggested to look at the criteria and understand what role SHE will play.

7. Presentation of the new Russian permit granting system and the project BAT-04 aimed at its promotion.

Mr. Butovskiy has presented the key issues and milestones in the implementations of the new, BAT-based system for Permit Granting in the Russian Federation. Besides he described the key content, phases and activities of the project “Implementation of the BAT Act, best strategies for the application of BAT in the Russian system of nature use management” (BAT-04) which is under implementation within the Swedish-Russian cooperation on the Environment.

Comments:

SHE supports the docs presented, using the docs for permit granting (PG), and stresses the importance to build capacity at the federal level and regional levels.

Mr. Mikaelsson mentioned that the 2nd phase of the project will be more beneficial if we have FI included.

Ms. Aronsen stated the connection between specific criteria development and BAT-04. She stressed the importance of cluster approach as related to phase 2 and the possibility to connect the project results with HS exclusion.

8. Up-dating of the Exclusion Procedure Progress Scheme

The SHE stressed that the information from NEFCO report (Akva-Plan Niva, 2013) should be updated. It is important to highlight SHE decisions. Mr. Forsström raised the issue of definitions – what is “joined” – done under Barents/Arctic umbrella and considered by SHE. Any data could not be published until endorsed by SHE and checked by RF.

The SHE stressed the importance of renaming of some of the HS.

The SHE noted that it is important to find out if a S&A is updated with the latest information before the Nordic experts are asked to review it.

The new IBS adviser should be involved in the development of the website as a tool not only for external but also for internal communication.

9. SHE’s recommendations to BEAC WGE for those Hot spots for which applications for Fast Track Exclusion have been received and assessed by both the Technical Expert Group and Rosprirodnadzor

The following decisions were made:

- HS A3-2, Severodvinsk Heat and Power Plant 2. Rosprirodnadzor made a positive statement, but SWE experts disagreed to exclude the HS from the list. They will consider additional info and make a decision . The TEC group meeting is possible by telephone when needed. The deadline for SWE experts will be 18.09 if needed. TEC conference call will develop joint conclusion by 30.09.
- HS A4 – Novodvinsk PPM A4 – there is no joint expert opinions. It is needed to merge SWE and FIN comments into one. The merged comments are placed in the e-mail from 07.08. (check with Ms. Dronova)
- HS Ko1 - Greenhouse gases from Vorkuta Coal Field. There are no expert opinions.
- HS Ko2-1 - Vorkutinskiy Cement Plant. The S&A report should be updated. KOWI will contribute to the new S&A report.
- HS Ko3-1 - Mondi PPM. Ready for exclusion. The docs should be finalized.
- HS K4 – Drinking water quality in Petrozavodsk. Ready for exclusion. The docs should be finalized.
- HS K7- HPP burning fuel oil and coal in Karelia – Not ready for exclusion. NEFCO comment: peat extraction was not eligible for funding. The S&A report was underdeveloped and needs more work.

Ms. Maslova in 1-2 weeks will check the situation with experts, with a deadline in 2 weeks.

In case it will not be possible to find relevant experts in the Nordic environment Agencies, it might be possible to hire consultants for an expert review with funding from the BHSF. Mr. Forsström stressed the importance of endorsement from SHE to hire the consultants also from other countries than Nordic, when relevant. It is important to explain the experts that Russian legislation has a priority. TEC now has problems with experts: SWE has no experts at the moment, FIN – not real expert for Ko1. The general decision on experts should be developed by 21-26.09.

10. Information from Tuuli on General IBS Issues and State of the art regarding the Web-site (Hot Spot Information System, HSIS)

Ms. Ojala presented the current status of the HS information system, www.beac.st/HS. The system has been built by the Arctic Centre in Rovaniemi and financed by NEFCO with the aim to share information about the Barents Hot Spots. The functionality of the system has been recently improved by Tuuli Ojala and Arto Vitikka (Arctic Centre) and also instructions for the updating work have been added to the system (not visible on the public page). Information concerning the individual Hot Spots can be added to the system by the IBS Adviser or other person appointed by SHE, Arctic Centre does other changes as requested by SHE/IBS, such as updates on the main page or changes in the structure of the system. The original meaning was to use the system not only externally but internally. However, it has proven to be difficult to use intranet-type of solutions in SHE in practice (there is a separate password protected intranet for BEAC WGE, where e.g. the final minutes of SHE meetings are stored by IBS). Therefore, the listed action points concern only the publicly available component of the HS info system.

SHE agreed that:

- IBS Climate, Environment and Hot Spot Adviser shall update the info in the HS system further
- The update shall be based on the latest information submitted by the Hot Spot owners: exclusion proposals / updated S&A reports / reports by the Hot Spot owners in extended SHE meetings (as confirmed in the minutes of these meetings) / information provided in the 2013 Assessment Report
- In the system, there are four categories describing the status of a Hot Spot: “in planning”, “in progress”, “in assessment” or “excluded”. In category “excluded” (highlighted with green color) are those Hot Spots that a ministerial meeting has officially excluded. “In assessment” (highlighted in yellow) means that an exclusion proposal has been submitted to SHE. This does not take a stand on actual maturity of the Hot Spots for exclusion. Other Hot Spots are now all “in progress” in the system, although there are big differences between these hot spots. It would be possible to separate the more advanced hot spots by leaving them to be “in progress” and changing the others to “in planning”, but this may not be a practical solution.
- SHE will consider, which bi-/multilateral projects carried out under the Barents umbrella should be highlighted in the “joint projects” section for each Hot Spot.
- The names of the Hot Spots will not be changed in the system unless there is a decision on that. Exception: the companies that have a new name (e.g. Mondi Syktyvkar), the new name will be shown and the old name left in brackets.

In discussion Mr. Forsström mentioned that the responsibility should come from the Chair of the Group. A lot of energy was put in coordination. Ms. Aronsen noted that BHSIS is a good tool for communication containing an appropriate amount of info.

The information system has to be adjusted to the existing procedure and there is no need to communicate about that. Some hotspots need an updated information, like A6, A7, A8, Ko6, Ko7, Ko2, Ko3. There is no updated information from Murmansk.

Also Mr. Butovskiy was asked to submit the “Education” project results to IBS to be placed on the website.

11. Any Other Business

Mr. Forsström raised several points. (1) He asked SHE to think what the new IBS Adviser (Maria Dianova) has to do for SHE and HS exclusion in terms of documents to be received. It is important to have a doc archive at one place. (2) NEFCO continues the projects in Arctic (Kolguev Isl.), besides SIDA cooperates with BHSF since 06/2015 in development of different climate issues, Nordic countries are cooperating with Russia, trying to build new financial mechanisms (TWINNING project, EE hospitals in Karelia). It is important to understand what funding is needed for the new projects and the enhancing of the existing projects. On the other side international funding mainly was coming from NDEP (grants were connected to credits from int. institutions), but now there are no new projects and NEFCO is the only active fin. institution now.

In the discussion Mr. Mikaelsson mentioned the Norbotten SWE project aimed on promotion of cooperation in Barents climate issues. Mr. Forsström asked to write the needs referring directly to our project on 1-2 pp.

(3) Mr. Forsström mentioned that 5 years ago NEFCO has produced the report on education project on CP and Norsk Energi (HS and CP). Small CP projects are running now in UKR and BEL. It is important to review the report. (4) PSI is running now (Valdai project aimed to reduction of diesel;

many activities took place at K7; the project in Dolgoshelye (feasibility study) – wind plant).

In discussion Mr. Mikaelsson stressed the importance to mention foreign assistance in S&A. It should be also the SHE responsibility. The group noted that there is no need to develop a new guidance on development of S&A report. Mr.

Forsström also proposed to add the date of the completion of the activity into the Procedure table. (5) the crucial issue: it is important to propose the WM project in Komi as SWECO already completed feasibility study. Next week in Komi

Republic Mr. Forsström will discuss that.

Mr. Butovskiy has informed SHE group in the project proposal “Promotion of the HS exclusion through the BAT introduction” which will be presented at the next ACAP meeting by RF.

Ms. Ojala has provided the following information on the new IBS Adviser:

Some 15 applicants applied for the Climate, Environment and Hot Spot Adviser position at IBS. Six of them were interviewed by phone and four of them selected to interviews with representatives from IBS and the financiers (NEFCO, Sweden and Finland). Ms. Maria Dianova has been proposed as to be employed as the next Adviser.

- IBS will soon have a new web page. In connection to that, the CPESC/JWGER project on cleaner production shall be highlighted on the pages. Ruslan Butovsky will provide text. Also www.biotoprk.ru was agreed to be advertised by IBS.
- Arctic Conference in Rovaniemi 24.-26.11. will have a BEAC/IBS desk and information about Barents projects etc. can be sent there (IBS trainee is in charge)
- Cleantech in mining session will be organized in Helsinki on 10th September
- BEAC financing tools report is ready, the final version will be available electronically soon. The conclusion of the work was not to propose a new financing instrument for Barents but to utilize the existing ones more effectively.
- Mr. Aronsen on behalf of the SHE group expressed the gratitude to Ms. Ojala for the overall support of the SHE activities from IBS.

Summary of Next Steps and Task Distribution Date for Next Meeting

Decision	Responsible	Deadline
Six hotspots may be recommended for exclusion to BEAC WGE (A3-2; A4; Ko1; Ko2-1; Ko3-1; K4) after the information on these hotspots is updated	Dronova, Mikaelsson	by next WGE BEAC meeting
The specific criteria for HS A3-1, Ko6 and Ko7 for a long-track exclusion as a pilot hotspots should be developed and then replicated the next 12 HS.	Butovskiy, Tiupenko	20.09.2015
The specific criteria for HS A3-1? Ko6 and ko7 should be translated into english and discussed within SHE inter-sessionally	Butovskiy, Tiupenko	20.09.2015
The TEC group should be strengthened. The TEC meeting should be organised.	Maslova	26.09.2015
SHE supports the BAT-04 project, touching the permit granting (PG) issue in RF, and stresses the importance to build capacity at the federal level and regional levels	Butovskiy, Mikaelsson	•
SHE supports the project proposal "Promotion of the Barents HS exclusion through the BAT introduction" as a possibility to get funding through ACAP and PSI	Butovskiy	16-18.09.2015
SHE stresses the importance of organizing branch-wise Seminars for the Pulp- and Paper Industry, Water and Wastewater management, Waste Management and Waste Incineration in Barents regions.	Mikaelsson, Butovskiy, Tiupenko	preparatory work should start asap

12. Date for Next Meeting

The following dates were proposed:

- TEC meeting 26/09/2015
- Next SHE tel. meeting 5-9/10/2015
- The dates should be specified not later than 18.09.15

13. Closure of the Meeting

The meeting was closed.