

**Minutes of the Meeting
of Co-Chairs of the Joint Barents Euro-Arctic Council
and Barents Euro-Arctic Region Working Group on Energy**

18th March 2009, 10.00-13.00

Committee on International Relations and Tourism Development of the Arkhangelsk Region

Participants of the meeting:

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| Mr. Johan Vetlesen | - Deputy General Director of the Department for Energy and Water Resources of the Ministry of Petroleum and Energy of Norway, Co-chair of the Working Group |
| Mr. Tom-Wiersdalen Karlsen | - Senior Adviser of the Department for Energy and Water Resources of the Ministry of Petroleum and Energy of Norway |
| Mrs. Anna Lund | - Executive Officer of the International Barents Secretariat |
| Mr. Anatoly Lukin | - Director of the Department for Fuel and Energy Complex and Housing Sector of the Arkhangelsk Regional Administration, Co-Chair of the Working Group |
| Mr. Daniil Shaposhnikov | - Consultant of the Department for Fuel and Energy Complex and Housing Sector of the Arkhangelsk Regional Administration |
| Ms. Anna Tyutrina | - Deputy Chief of the Section for International Projects and Program of the Committee for International Relations and Tourism Development of the Arkhangelsk Regional Administration |
| Ms. Olga Gorelova | - Chief Specialist – Expert of the Section for International Projects and Programs of the Committee for International Relations and Tourism Development of the Arkhangelsk Regional Administration |
| Mrs. Lyubov Zarubina | - Chief Specialist – Expert of the Section for International Projects and Programs of the Committee for International Relations and Tourism Development of the Arkhangelsk Regional Administration |
| Ms. Olga Chernyshova | - Senior Manager of the Arkhangelsk Regional Energy Efficiency Center, interpreter |

1. Greeting of the participants of the meeting.

Mr. Anatoly Lukin and Mr. Johan Vetlesen opened the meeting, presented and greeted the participants and discussed the proposed agenda for the meeting.

2. Discussion and defining the main trends of activities of the Joint Working Group on Energy.

The Co-chairs discussed the list of members of the Working Group from the Russian regions and BEAR countries, the main trends of its activity and proposals for the events to be planned within the framework of the Working Group.

Mr. Johan Vetlesen presented amendments to the Terms of Reference of the Working Group initially discussed at the first meeting of Co-chairs at the Norwegian Ministry of Petroleum and Energy in November 2008.

3. Russian-Norwegian experience exchange in water management sector.

Mr. Anatoly Lukin presented the project “Russian-Norwegian Competence and Experience Exchange in Water Management Sector”, its objectives, tasks and expected results. During the visit of Mr. Anatoly Lukin to Norway from 2nd till 6th March there have been hold the first discussions on the project with representatives from Troms and Finnmark counties. The Norwegian side expressed interest in the joint implementation of the project under the grant support from the Norwegian Barents Secretariat.

Mr. Johan Vetlesen presented the Norwegian experience in hydro and electric energy sector as well as water management sector.

The Co-chairs recognized the importance of experience exchange in water management sector between Russia and Norway and agreed to continue dialog on this issue.

Mrs. Anna Lund proposed to present the project to the Chair of the Regional Working Group on Environment and discuss the possibilities of the project implementation within the Barents cooperation.

4. Developing effective mechanisms of housing management sector, creating favorable and safety conditions for living, and introducing energy saving technologies.

Mr. Anatoly Lukin informed the participants of the meeting about the results of his visit to Norway from 2nd till 6th March. He informed about the activities addressed to increasing energy efficiency and development of renewable energy sources carried out in Russia and Arkhangelsk region in particular. Mr. Anatoly Lukin presented plans of Arkhangelsk region for development of wind energy on the territory of the region, especially for construction of wind generators in Mezen district and on the Solovetskye Islands. Following the instruction of the Governor of the Arkhangelsk region, the Department for Fuel and Energy Complex and Housing Sector is preparing a pilot project on developing bio energy in the region. The project is aimed at the construction of stations for processing wooden wastes, hardwoods and shrinkable wood and production of brick and pellet fuel for the needs of municipal boiler houses. It is also planned within the project to modernize the current boiler houses and build new ones for using biological fuel.

Mr. Anatoly Lukin also informed the participants of the meeting about the cooperation between the Arkhangelsk Regional Administration and the State Norwegian Housing Bank (Husbanken). The parties has agreed to arrange in Arkhangelsk a workshop/seminar for representatives from the municipal entities, managing companies and interested energy enterprises on training in low-rise building, energy efficiency and ways of renovation in the housing sector.

The Co-chairs discussed the problems in housing management sector, development and use of alternative energy sources. They underlined the importance of renewable energy

sources and energy efficiency as well as the necessity to consider and study financing mechanisms, including searching for investments into housing sector and public utilities.

5. Organizational issues of arranging the extended meeting of the Joint Working Group on Energy in Arkhangelsk.

The Co-chairs discussed the possible dates for the meeting and proposals to the agenda of the meeting of the Working Group.

Mr. Anatoly Lukin suggested inviting members of the Working Group, representatives from the federal bodies of the Russian Federation and interested organizations and companies for the meeting in June 2009.

Mr. Johan Vetlesen proposed to arrange a workshop within the program of the next meeting of the Working Group. The workshop should be aimed at discussion of the main trends of energy development in the Barents region and issues included into the resolution of the international energy efficiency conference held in Arkhangelsk on 3-4 June 2008.

The Co-chairs shared their ideas and decided:

1) to arrange the extended meeting of the Joint Working Group on Energy in Arkhangelsk on 8-11 June 2009 inviting representatives from the BEAR countries, federal bodies of the Russian Federation, interested energy, building and investment companies;

2) to include the workshop proposed by the State Norwegian Housing Bank into the program of extended meeting of the Working Group in June 2009;

3) by 10th April 2009 to make and share the final list of the Russian and Nordic members of the Joint Working Group on Energy;

4) by 20th April 2009 to make a draft agenda for the meeting of the Working Group, program of the workshop with topics and speakers, and financing sources for arranging this event;

5) by the beginning of May 2009 at the latest to send invitations to the Russian and Nordic participants for the meeting of the Working Group and workshop;

6) to continue coordinating all organizational issues within the Working Group through the Committee on International Relations and Tourism Development of the Arkhangelsk Regional Administration.

In conclusion, Ms. Anna Lund informed the participants of the meeting of the role and activity of the International Barents Secretariat. One of the tasks of the IBS is to inform the audience of the Barents region about activities of the BEAR working groups. The IBS administrates the web-site of the Barents cooperation – www.beac.st, where it regularly publishes information about all events to be held in the Barents region. To highlight the activity of the Joint Working Group on Energy Ms. Anna Lund suggested updating information about the Working Group on the web-site and using the possibility of publishing press releases and other materials of the Working Group on the web-site.

Co-chairs of the Joint BEAC and BEAR Working Group on Energy:

Mr. Anatoly Lukin

Mr. Johan Vetlesen