



YMPÄRISTÖMINISTERIÖ  
MILJÖMINISTERIET  
MINISTRY OF THE ENVIRONMENT

Helsinki, August, 2005

**Barents Euro-Arctic Council,  
Meeting of the Working Group on Environment (WGE)**

**26-27 May 2005  
St. Petersburg**

**MINUTES**

**1. Opening, presentation of participants and adoption of the agenda**

The WGE Chair, Ms Ann-Britt Ylinen opened the meeting and welcomed the participants. She thanked Finland's Consulate General in St. Petersburg for the possibility to arrange the meeting within their premises.

The agenda was adopted.

**2. Adoption of the minutes of the last meeting**

The minutes were adopted.

**3. Barents news**

CSO

The Chair informed about the CSO meetings in Copenhagen on 17-18 February and in Mo i Rana on 13-15 April. From the environmental issues the hot spots and ACIA has been on the agenda of the CSO meetings. The current Chair of CSO has streamlined the organization of the Barents cooperation. The 10<sup>th</sup> Session of BEAC (Foreign Ministers) will be on 9-10 November in Norway. Finland will chair the Council and the CSO after Norway.

Regional Working Group on Environment

**Mr Jari Pasanen** from the Lapland Regional Environment Centre informed about the work of Barents Regional Working Group on Environment and about the Barents 2010 project. The last workshop of Barents 2010 will be in autumn, where the results of the water and biodiversity components will be combined. The last RWGE meeting was on 26-27 April in Bodø. Mrs. Tiupenko from Komi was elected as Vice-Chair of the RWGE. The focus of the RWGE will be on identifying 1-2 project ideas from regions.

A need to strengthen the cooperation between the national and regional levels was expressed in the RWGE meeting and this wish was supported by the WGE. There are possibilities to identify smaller scale projects and to include the information and the know-how of the regional level experts in the cleaner production and hot spot processes. It was proposed to have more often back-to-back meetings.

Information about the St. Petersburg International Economic Forum on June 13-17, 2005

The Chair informed about the St. Petersburg International Economic Forum. There will be a round table on arctic environmental issues. The CSO Chair has invited input from the WGE, especially on the hot spots. WGE has sent proposals on input and message. There will be a presentation on hot spots by NEFCO and in addition, WGE will produce the ACIA posters. The proposal for a message was adopted with some comments and will be submitted to the organizers.

## **4. Follow-up to the Action Programme**

### **4.1. Barents Environmental Hot Spots**

**Mr Pitkänen** and **Mr Forsström** from NEFCO informed about the state of affairs within the Barents Hot Spot Facility. The aim of the BHSF is to support the relevant project development and small scale pilot work. In addition, it aims at mobilizing capital resources for bankable projects. Discussion with Russian stakeholders at the federal and regional level in order to identify the priorities and possibilities to mobilize Russian financing for the projects is going on. The meetings started in Moscow in February and visits in all of the regions will be carried out before summer 2005. On the base of the results of these visits, selection of the projects and preparation of Terms of References will be started. Then next phases are the selection of consultants and studies and project development in preparation for implementation.

A list of the federal priorities has been provided after the meeting in Moscow. It has been prepared by the MNR and Rostekhnadzor. It consists of 13 projects in Pulp and Paper Mills and waste management sector. The preliminary results of the missions in three regions – Arkhangelsk, Murmansk and Karelia – was presented. The visits to Komi and Nenets will be finalized before mid-June and the preliminary findings will be presented at the International Economic Forum in St. Petersburg on June 14.

**Mr Aleksandrovsky** confirmed the commitment of the Ministry of Natural Resources to the whole list. The Ministry wishes to set time scale to eliminate all of the hot spots. He proposed to prepare a schedule for the Ministerial meeting on how to proceed with the elimination. The federal authorities are prepared to cooperate with the regional authorities to identify needs and measures and to find financing. The companies are in very different economical situation: big and wealthy companies are able to implement cleaner production measures by their own resources, while others have serious problems to carry out environmental investments in the near future. In addition to the early mentioned list of 13 projects, earlier last autumn MNR has identified projects in water sector and hazardous waste management. There are possibilities in the framework of Kyoto Protocol. The hot spot process should be coordinated with the NPA-Arctic. Mr Aleksandrovsky proposed to WGE and ACAP to prepare a proposal for a Global Environment Facility for a bigger project. For the implementation of the hot spot projects the Ministry of regional development, Ministry of Finance and Ministry of industry and energy are important. He also informed that the Ministry of Finance has increased Russia's contribution in Northern Dimension Environmental Partnership (it is now 20 M€), and he proposed to consider the possibility to include biggest hot spot projects into the NDEP.

**Mr Pitkänen** acknowledged the input from the federal authorities and constructive dialogue with the Russian authorities. He also emphasized the importance of the input, which will be provided by the regional authorities. As a result there will be mutually accepted priorities and common understanding on the projects, which are possible to tackle first. In addition to BHSF, there are also other available financing instruments within NEFCO and other financing mechanisms of other institutions, including EU.

The Chair concluded by noting that the results of the dialogue with the Russian authorities will be a base for the preparation of this issue to the Ministerial meeting.

## **Cooperation with Arctic Council Action Plan to Eliminate Pollution (and Arctic Project Support Instrument)**

**Mr Dyer**, Chair of ACAP informed about the recent development within ACAP and about ACAP projects. Among the primary ACAP objectives for 2005-2006 is to strengthen cooperation with BEAC/WGE and Nordic Council/EWG on Barents Region "hot spots". Initial focus is on pesticides, dioxins/furans and mercury. He mentioned dioxin problems in pulp and paper mills and mercury as next possibilities to join forces of ACAP and WGE (in addition to Obsolete Pesticides project in Arkhangelsk, which has been carried out by ACAP). ACAP has carried out cleaner production training at selected facilities in Arkhangelsk. The second phase of activities will address mercury reduction in a coal fired power plant and a mercury recycling plant improvement project (possibly a "hot spot"). In addition, he informed that the studies on the Franz Joseph Land are now under consideration by AMAP experts. FJL could also be proposed to be included as a demonstration project within Arctic Military Environment Cooperation (AMEC).

Among other issues Mr. Dyer mentioned e.g. the need to develop legislation that stimulates production phase out and destruction of PCBs in Russia. He also informed about the establishment of the Arctic Council Project Support Instrument. The guidelines of PSI has been approved by the Senior Arctic Officials in April and NEFCO has been selected as a project manager.

**Mr Pitkänen** informed about the criteria for accessibility to PSI. There is a specific procedure of accepting the projects and they have to be officially approved Arctic Council projects. The PSI is available for projects, which will concretely decrease pollution, and are of common interest for Arctic and Barents cooperation. The PSI is aimed for project preparation and development and financing of demonstration projects. NEFCO will be the manager of the PSI for its 3 years pilot phase. He emphasized the importance to develop good links between BEAC/WGE and ACAP to maximize the mutual benefit.

**Mr Aleksandrovsky** thanked ACAP for active cooperation with Russia. He answered Mr Dyer's question, that there is a need to develop the legislation, but this is pending on the ratification of Stockholm Convention. Active preparations for ratification are going on. Also Rostekhnadzor is important player in this question.

The Chair concluded that the hot spot field missions will provide more information about the possibilities in dioxin and mercury projects. In addition to these, the obsolete pesticides in Karelia (if it will be realized) could be mentioned as a cooperative effort, although it is planned to be realized as a bilateral Finnish-Russian project. It has been proposed that the experience and model of the obsolete pesticide projects within ACAP should be utilized in Karelia, as well. The goal is to identify the concrete cooperation possibilities at least in one of the proposed projects before the Ministerial meeting in October.

## **4.2. Cleaner production**

The Chair of the CPTF **Mr. Markku Hietamäki** reported of the meeting of the CPTF on May 25. He noted that the National Action Plans are a new instrument to coordinate the cooperation. However, coordinated actions have been implemented much slower than anticipated. The CPTF meeting also discussed on how cleaner production could be taken into account in policy making. It was proposed to organize regional seminars to generate cleaner production and administrative actions.

The mandate of the CPTF will end by the end of the Finnish Chairmanship of Barents WGE. CPTF will prepare a proposal for a new mandate. CPTF will report about its work to the Ministerial meeting and organize its meetings in autumn back-to-back with the WGE.

**Mrs Janchik** noted the importance of the cleaner production cooperation to Russia. She called for cooperation to resolve the problems, which are highlighted in the Action Plan on Cleaner Production (2003).

### **4.3. Nature protection and sustainable forestry**

**Mr Sohlberg** informed about the activities connected to cooperation in the field of biological diversity and sustainable forestry. The last informal meeting of HCF was held in May. The status of projects and the planning for the fourth international meeting of HCF were discussed. The coordination with Nordic Council of Ministers has also been discussed, especially in relation to the new Environmental Action Programme 2005-2008 and project funding possibilities in North-West Russia. The project "Gap analysis – a comprehensive assessment of the representativeness of and gaps in the protected areas network in Northwest Russia" is waiting to start. It will be introduced to the WGE, when it will start. An update on the protected area network within the work of Circumpolar Protected Area Network (CPAN) was presented at the Arctic Council Ministerial meeting last year. There are perspectives for cooperation between this process and Barents nature conservation cooperation efforts.

A proposal for a Northern European Model Forest Network has been prepared and an application to Baltic Sea Region Interreg III B Neighbourhood Programme has been sent. The Model Forest concept includes a very wide range of issues, most of them linked to production. More environmental aspects should be included. It has been proposed to organize a joint meeting between FSTF and WGE, when the model forest project will start. The application will be up for decision in the beginning of June [this project did not get funding – decision on June 7.]

It was noted that there is a need for discussions between FSTF on how environmental issues should be dealt with in relation to forests in the Barents Region on the base of the "Common approach to strengthen environmental considerations in forestry co-operation in the Barents Region" adopted at the Sixth Meeting of BEAC Environment Ministers.

**Mrs Tiupenko** informed about the work of Barents 2010 project's biodiversity component. Komi, Kainuu, Karelia and Norland are the participating Regions. There has been a joint meeting between the biodiversity and forestry component last autumn. The last meeting, where the Strategy and Action Plan were prepared was held in March. A joint final report will be prepared for the water and biodiversity components. Proposals for the actions (e.g. red data book, gap-analysis, guidelines, increased information, promoting networks, eco-tourism) will also be prepared. There are needs to enhance the cooperation between the national and regional level to carry out these actions.

Director of Silver Taiga Foundation, **Mr Maevski**, introduced Komi Model Forest Project. This is a 10 years (1996-2006) project financed by the Swiss Agency of Development and Cooperation. The area is 800 000 ha. The pilot sites were threatened by logging pressure, and the aim of the project is to evaluate the pristine forests and adopt environmentally sound logging methods in those areas, where loggings are allowed. Also the social aspects are included. The procedures of public hearings has been developed and places of importance for local population has been identified. As a result a Regional Forest Policy is under preparation, training courses in sustainable forestry are carried out, and introduction of Forest Stewardship Council certificate is going on. There are plans to continue the project in 2006-2008.

**Mr Aleksandrovsky** noted that sustainable forestry and illegal logging issues are included in the EU-Russia Road Maps of the four Common Spaces, adopted at the EU-Russia Summit in May. He informed about the Conference on illegal logging, which will be held in September in Moscow. He also referred to the work of CAFF and underlined the need for development of the protected areas network also within the Barents cooperation. He reminded about the proposal of IUCN "Natural heritage of the Barents Region: Management in the interests of future generations" and informed

that a financing application for GEF has been prepared for this project. He also proposed that the bilateral cooperation should be highlighted at the Ministerial declaration, in addition to the importance of regional cooperation.

**Ms Berteig** informed about the Norwegian-Russian cooperation on the protection of cultural monuments and nature conservation in Kenozero National Park and on the traditional cultural heritage in Terski Rayon. Kenozero National Park was established in 1991 (in Arkhangelsk oblast, 140 000 ha?) to protect the nature and cultural heritage. It was a first park in Russia, where cultural heritage aspects were included. Norwegian-Russian cooperation in Kenozero National Park started in 1996, and it includes both the nature protection and cultural heritage aspects. She introduced the work done on restoring the old log buildings. In addition, there has been a landscape protection project, and activities to develop eco-tourism and fishery in the region.

**Mrs Tiupenko** informed about the state of affairs of the preparations of the 4<sup>th</sup> meeting of International Contact Forum on Habitat Conservation (HCF) in the Barents Region in September 19-25, 2005 in Syktyvkar.

#### **4.4. Water cooperation**

**Ms Haapala** presented the final draft of the Report on water related projects in the Barents' Russian area. The report has been prepared by the Finnish Environment Institute. The aim of the report is to serve as a discussion paper for the WGE to identify appropriate actions to improve water management in the Barents Region of Russia. The report describes water cooperation projects and discusses the problems and possibilities to improve their implementation. The main emphasis is on the lessons learned and suggested demonstration projects.

**Ms Swensen** noted that the analysis of obstacles and challenges is useful. She emphasized the importance of the continuity of the monitoring network, also in connection to the water projects. **Mr Hokstad** found the report valuable and emphasized the importance of water issues in preparation of the Ministerial meeting.

**Mr Pitkänen** noted that the focus in many hot spots is on water issues. He highlighted the importance of smaller scale demonstration projects. Some of the larger utilities can support capital investments, but the financial position is less favourable at the smaller settlements. Therefore solutions, which could be sustainable at the local level should be identified.

The Chair highlighted the results of the report. The problems and obstacles faced were very similar in almost every project. Is there a possibility on the Russian side to provide solutions to the main problems identified? It is also important to consider possible demonstration projects, which could be applied in other regions. She proposed that the results of this report should be combined to the Barents 2010 process and have a joint brainstorming with the RWGE in order to identify one or two relevant water projects for implementation.

#### **4.5. Connections of the Arctic Climate Impact Assessment with the Barents environmental cooperation**

The Chair informed about the CSO Working Document "Arctic climate change: Policy measures relevant for the Barents Region". The CSO Chair has asked all the BEAC working groups to comment this document. The CSO has actively discussed the policy measures relevant for the Barents Region on the basis of the report from the "Arctic Climate Impact Assessment (ACIA)", and this issue will be reported at the 10<sup>th</sup> BEAC Session in November, 2005. The WGE Chair introduced input of WGE to this document at the previous meeting.

**Mr Pitkänen** informed about the Baltic Sea Region Testing Ground Facility (TGF). It is a financing instrument to promote Testing Ground Agreement (TGA) goal: to stimulate climate investment projects in the Baltic Sea Region in the energy sector. Russia has not yet signed the TGA. NEFCO is managing the TGF. NEFCO is now actively looking for climate projects in the Barents Region. There is also interlinkage between the hot spots and carbon reduction projects. The TGF projects have to be approved by the appropriate national authorities.

**Mr Sohlberg** noted about the role of CAFF in preparation of ACIA and proposed that the possible presentation of ACIA in connection to the 4<sup>th</sup> meeting of HCF should be in the sphere of nature conservation. In addition, he informed that there are initiatives for the International Polar Year on research and assessment issues in the field of climate change. He noted that the monitoring issues within the water cooperation have interlinkages with the climate issues.

**Ms Swensen** proposed to keep on enhancing information exchange on national follow-up measures. Mitigation measures are the most important ones. The proposal on flood control is a useful idea. In addition, Barents cooperation could provide useful input to support monitoring efforts, especially the monitoring stations. The cooperation with other groups, especially with energy group is important. The priorities should be identified and these should be highlighted by the Ministers.

**Mr Hokstad** underlined the cross-sectoral character of the climate problem and the need to integrate the environmental concerns to other sectors. Priority setting of the actions proposed in the CSO document is important, as well as to identify the responsibilities. This should be highlighted in the Ministerial declaration.

**Mr Aleksandrovsky** informed about the Russian National Action Plan to implement the Kyoto Protocol. The National Action Plan includes all the actions that concern the arctic regions. Significant impacts are expected in the Russian arctic regions, both negative and positive. He acknowledged the work done by the CSO and confirmed that Russia is committed to contribute to this process.

The Chair concluded that there is a need to identify priorities and clarify the role of the working groups. She reminded also about the cooperation between the working groups of Nordic Council of Ministers, which is preparing its Arctic Programme.

## **5. Barents related EU issues**

**Mr Poutanen** informed about the results of the EU-Russia Summit on 10 May 2005 and about the adoption of the Road map of four Common Spaces between EU and Russia. The environmental issues are under the Common Economic Space (CES) and this chapter in many respects defines the agenda for future EU-Russia environmental cooperation. There are also connections to environmental issues in other chapters, e.g. under energy and transport. He introduced the content of the environmental issues and noted that there are many connections to the Barents cooperation. He also highlighted that the regional councils will have very important role to play in future development of Northern Dimension. The Northern Dimension will be focused more on EU-Russia relations after enlargement of the EU. The second ND Action Programme could have been more successful. It is important that the future development of the ND will be carried out in full acceptance by Russia. The European Neighbourhood and Partnership Instrument from 2007 will be important financing mechanism to support the projects, which are connected to the four Common Spaces and Northern Dimension.

**Mr Aleksandrovsky** commented that the negotiations on the Common Spaces had been complicated, but now the result is promising. The implementation of the Common Spaces should start as soon as possible and the PCA environment working group meeting should be organized. He con-

firmed that launching of the next phase of Northern Dimension has been problematic, but now there are possibilities to revitalize the Northern Dimension within the development of the Common Spaces. The Ministerial Conferences in Luleå in 2003 was an important event to enhance the environmental cooperation between the regional councils.

## **6. Preparations for the 10+1 Barents environmental ministerial meeting and preparation of the report on the Barents 10 years' environmental cooperation**

The Chair informed about the practical arrangements of the meeting. The meeting will be on 19 October at the City hall of Rovaniemi. The guests are requested to come on 18 October. A block reservation has been made at Rovaniemi hotels between 18-20 October.

The draft report and declaration had been sent prior to the present meeting. The participants were requested to send comments and contributions to the report. The draft declaration was discussed in detail. The comments will be reflected at the next version of the declaration. It was decided to establish a drafting group for these documents. Sweden and Norway named their representative. Russia was requested to inform about the Russian representatives as soon as possible. The comments for the draft declaration and report were requested to be sent by June 15.

The final comments for the draft report on the Barents 10 year's environmental cooperation were requested to be sent by June 15. It was proposed to include the future oriented proposals to the declaration, as appropriate.

**Mr Aleksanrovsky** confirmed that Russia will assume the chairmanship of WGE and informed about the preparations for the Russian chairmanship period 2005-2007.

## **7. Next Meeting and any other business**

**Ms Swensen** informed about the Barents Rescue 2005 alarm exercise, which will take place at the beginning of September 2005 in North-Norway. She informed also about the Norwegian White Paper on policies in the northern areas, which will be discussed at the Parliament in June.

It was decided to have the next meeting at the end of August in Helsinki (in week 34 or 35). This meeting will focus on preparations of the Ministerial Meeting and drafting of the declaration.