



Background paper prepared by the Swedish BEAC WGE Chairmanship

Joint WGE-SHE-CPESC discussion on cleaner production as a means for “hot spot” exclusion in the Barents Region.

Meeting in Petrozavodsk November 10th 2010

Background and Starting Points

The BEAC Working Group for Environment (WGE) and its Subgroups for “Hot Spot” Exclusion (SHE) and Cleaner Production and Environmentally Sound Consumption (CPESC) will have a joint meeting in Petrozavodsk 10th of November 2010.

The aim of this Joint WGE-SHE-CPESC meeting is to:

1. have a joint first discussion on how the activities of the two subgroups can facilitate cleaner production measures promoting the exclusion of the Barents Environmental Hot Spot’s in the most effective way,
2. agree on further steps to take to follow-up on the discussion. To focus the discussion, special attention will primarily be given to cleaner production related measures in “hot spot” exclusion.

The discussion foremost invites the country representatives in the two subgroups and WGE to share their views; however others are invited to participate. The discussion will be held in English. Cleaner production includes in this context activities to make investments, raise awareness, competences and capacities in both private and public sector.

An important starting point is the Criteria & Procedures for “Hot Spots” Exclusion adopted by the Ministers in Tromsø in February 2010, but also the Norsk Energi “Study on Environmental “Hot Spots” and Cleaner Production in the Russian Barents Region”.

Key Starting Point – the Criteria & Procedure

The “Criteria & Procedure” outlines a scheme in seven steps where the central level (Minpriroda RF) assigns the regional and federal authorities in the respective federation subject to review all the Barents Environmental “Hot Spots” located within their respective territory, to report what has been done at each “hot spot”, clarify ownership and responsibilities, to assess the needs and priorities and also to set up Regional “Hot

Spot” Exclusion Groups. Based on this framework, the identified “hot spot” owner is requested to draft and implement action plans relevant to the environmental issues addressed in the NEFCO/AMAP Report from 2003. The Procedure is designed for a systematically review and action approach where specific exclusion criteria are set individually determined for each “hot spot” and the problem owner has to “apply” for adoption of action plans and exclusion as the respective “hot spot” proceeds along the Procedure on its way to Exclusion from the List.

A key feature of the “Criteria & Procedure” is that it aims to anchor the responsibility for the problem as well as for its solution where it belongs, i.e. at the Russian institutions, i.e. federal and regional authorities, businesses and enterprises. ***This means that the Russian authorities need to determine their priority “hot spots” and then start to act accordingly, while the activities of CPESC and SHE can only be supportive and facilitating in the exclusion process.***

Starting Point Two – the Norsk Energi Study”

The Norsk Energi Study makes a thorough review of the broad work that the CP programme has carried out in Russia and presents possibilities for using CP measures to improve the ecological status on relevant Barents “Hot Spots”. Based on desktop studies of a substantial written material and interviews with multiple stakeholders, Norsk Energi has made an analysis of the methodology and its applicability to the various types of “Hot Spots”, the institutional framework and legislative basis surrounding the “Hot Spots”, the CP programmes executed in actual “Hot Spots” during the last 5 years, planned and implemented CP-projects at these “Hot Spots”, as well as financial possibilities and possibilities for joint action with Russian programmes and international efforts. The results are summarised in the conclusions and recommendations on pages 5-11 of the report.

An important feature of the CP programmes is that they highlight economical benefit from “ecological savings” and promote a management culture eligible for environmental investments. CP programmes have been carried out at 17 “Hot Spots”, resulting in 63 project proposals. ***At 11 of these “Hot Spots” the CP-projects “could considerably, if not totally, eliminate the problem, if implemented”.*** It is obviously worth examination closer the possibilities of implementing and financing such projects at sites prioritised according to the Exclusion Procedure.

For the joint discussion: How to Promote “Hot Spot” Exclusion through the Subgroup Activities?

At the same time as the “Procedure” offers a systematic approach aimed at anchoring and fostering “driving forces” at regional level towards exclusion of all the “hot spots” from the list, the experience from the CP programmes suggest a set of possible solutions applicable at many of the “hot spots”. The CP report furthermore identifies institutional bottlenecks hampering effective implementation and economic incentives for a more “ecological management”, many of which other reports, both Russian and international, have pointed out earlier.

Among the needs and problems pointed out in the Norsk Energi Study, we already today handle many issues within the CPESC and SHE subgroups activities, e.g:

- Experience for assisting the design and introduction of a BAT based permit granting system in accordance with the Russian Federation’s requirements and prerequisites (e.g. the “Pajala project”);

- Access to financial support instruments (NEFCO Cleaner Production Facility, NEFCO Barents Hot Spots Facility; and others);
- Initiative for CPESC activities in facilitating Arctic Council (ACAP) projects which also might be related to relevant “hot spots” (based on discussion at CPESC meeting on 9th November);
- Possible platforms for joint actions between enterprises, local, regional and federal authorities, science, etc. and CP training programmes (e.g. project on building university network, Marrakesh Task Force seminars and seminar on SCP tools being carried out (and CP training programmes)

Important questions for discussion are: How do we best direct our efforts in the CPESC and SHE subgroups respectively in order to, e.g:

1. promote the implementation of the Exclusion Procedure: When the Russian authorities have decided upon priority “hot spots” for exclusion, how can CPESC and SHE activities be supportive towards their exclusion and in the cases cleaner production measures are key for their exclusion?
2. point out economic incentives for enterprises for environmentally adequate behaviour: What current and future activities could contribute in this regard? How can cleaner production be a tool to strengthen the exclusion procedure?
3. involve top company and administrative management in activities and provide them with the right strategic context: What current and future activities could contribute in this regard?
4. align the activities with Russian federal and regional target programmes, regulative reforms, industry’s prerequisites and investment cycles, etc.?
5. which will be the next steps to follow-up on the discussion?