# MINUTES OF THE BARENTS CLEANER PRODUCTION TASK FORCE MEETING

# 16.3.2004 Kajaani, Vuokatti Finland

## PARTICIPANTS:

**Finland,** Ministry of the Environment Mr. Markku Hietamäki (chair), Environment Counsellor Ms. Kirsi Kentta (secretary), Senior Adviser Mr. Martti Poutanen, Counsellor Ms. Henna Haapala, Senior Adviser

Mr. Kari Kinnunen, Director, Lapland Regional Environment Centre Mr. Jari Pasanen, Chemist, Lapland Regional Environment Centre

#### Norway

Ms. Brita Slettemark, Ministry of the Environment

## Sweden

Ms. Ann-Sofi Israelson, Environmental Protection Agency

Mr. Mats-Rune Bergström, Principal Administrative Officer, County Administration of Västerbotten, Chair of the Barents Regional Working Group on Environment

#### Russia

Mr. Viktor Kuznetsov, Deputy Head, Administration of Natural Resources and Environmental Protection of the Arhangelsk Region

Mr. Alexander Shirlin, Deputy Head, Administration of Natural Resources and Environmental Protection of the Republic of Karelia

Mr. Valery Solomonov, Director, Cleaner Production Centre in the Republic of Karelia

Ms. Tatyana Tyupenko, Chief Specialist, Ministry of Natural Resources and Environmental Protection of the Republic of Komi

Mr. Agvan Movsesyan, Head of Department, Administration of the Nenets Autonomous Okrug

Ms. Larisa Yanchik, Russian-Norwegian Cleaner Production Centre

## Observer

Ms. Elisabet Paulig-Tönnes, Senior Manager, NEFCO

#### Interpreters

Mr. Aleksei Repin Mr. Toomas Kasela

# **Technical assistant**

Mr. Jouko Kettunen

The chair, Mr. Markku Hietamäki, opened the second Task Force Meeting under the Finnish chairmanship of the Barents Cleaner Production Task Force and welcomed the participants.

The Agenda of the Meeting was adopted. The minutes of the last meeting, held in Helsinki December, 2003, were adopted with the amendments proposed by Mr. Yuri Alexandrovsky from the Ministry of the Natural Resources of Russia.

The views and ideas on Cleaner Production co-operation in the Russian part of Barents Region were discussed. Mr. Solomon stated that it would be very good, if all the CP-activities would go through the Russian-Norwegian Cleaner Production Centres to avoid unnecessary competition and overlapping. Mr. Kuznetsov spoke about the importance to use CP approach and methodology, because the CP approach helps to develop concrete programmes in the industrial production sector. Many engineers have attended CP training courses and they are able to put the new ideas in practice. In his opinion it is also important to give CP activities a certain status; as CP is part of the Barents Region cooperation.

Mr. Movsesyan mentioned that Cleaner Production work has just been started in Nenets and further work on CP is needed. Ms. Tyupenko stated that the financing is still open of the new energy efficiency centre, which has been integrated with the CPcentre in Komi Republic. Oil and gas-, as well as municipal service-companies, have started training in CP. It is important that they follow the programme from very beginning in order to find solutions to their environmental problems.

Ms. Larisa Yanchik stated that during the Swedish chairmanship of the CP Task Force the Cleaner Production concept was successfully taken further in the Barents Region. The adoption of the CP approach in the action plan of the Northern Dimension was also important. The Russian part has distributed more than 1000 booklets about Cleaner Production since the Luleå-meeting. Ms. Yanchik mentioned that training in CP is needed in the municipal service companies, especially because of the reforms of the municipal sector. The pulp and paper industry could also benefit of CP programmes. The association of the pulp and paper industry has made an agreement on the use of BAT (in some installations and companies) with the CP-Centre. The CPtraining programme is to be introduced in four enterprises (Kotlas, Irkutsk, Ust-Ilminski and Bratsky). Ms. Yanchik stated that closer cooperation with the Arctic Council is still needed, but in Norilsk-Nikel the training has already started. The Zapoljarnyi affiliate would like to start negotiations with NEFCO in order to establish a joint environmental fund. Ms. Yanchik mentioned that there are many CP activities going on in the eastern part of Russia, for example, in Krasnojarsk, Irkutsk and Vladivostok.

Mr. Hietamäki congratulated Ms. Yanchik on informing a wide audience about the concept of CP in Russia, but also wondered how to put the concept of CP more efficiently into practice in the Barents Region. Ms. Yanchik noted, that the CP centres are already well known in the Barents Region. A programme on toxic waste, for instance, is ongoing in Severodvinsk and in Murmansk harbour the engineers are being trained at the moment. In St. Petersburg a new CP programme has just been started. Ms. Slettemark stressed that it is not a either/or, situation. The Barents Region has been a pilot region for CP, but it is also good, that CP concept is spreading all over Russia.

Ms. Slettemark stated, that Norway would like to draw the attention to the investments and NEFCO's role. 12-13 projects have been proposed to the Revolving Fund of NEFCO, but only two or three of them have been implemented. Ms. Yanchik said that this was a very good point. There's some psychological problem in the Russian mentality, people are not used to the idea of taking a loan and paying it back later. She said that the conditions of NEFCO are excellent and the CP centres are working with this psychological barrier in order to change the situation.

Ms. Paulig-Tönnes thanked the CP centres for the good work they have done and said that the reluctance of the companies to take loans is understandable. NEFCO is working on the procedures in order to make them smoother and they are sure that in the future the interest and willingness among the companies to take loans will grow.

Mr. Hietamäki noted that the ownership of the companies change rapidly in the region. In the future there might be more and more companies that are willing to develop their production. He asked the participants at the meeting whether they think that it is out of the scope of the Task Force to encourage (somebody to) organize training for the companies and economists on how to get loans for environmental improvements.

Ms. Yanchik stated that the first phase is to learn how to get loans and pay them back. In the second phase of "financial engineering", the economically most interesting projects should be further developed.

Mr. Kinnunen stressed that it would be useful to discuss what is a good CP project: Is it only training or does the training lead to investments and does the company make products in a cleaner way? He also said that he understands very well, that owners are not interested only in the training, but if there are practical results achieved, they will be more interested in new investments as well, he said.

Ms. Paulig-Tönnes reminded the participants, that there were similar problems earlier with the ownership in Lithuania, as in Russia now. Ever since the situation has been settled, the cooperation has run smoothly. Ms. Tyupenko also stressed, that people should be patient and appreciate the work done by the CP centres. Mr. Solomonov stated that NEFCO's pattern is very good, but several companies, such as Segeza and Nadvoidtsy, have also taken loans from Russian banks, when they were modernising their production.

Ms. Slettemark introduced Norway's action plan. Norway will concentrate on three topics, namely: University courses (Training courses in cleaner production at universities and polytechnics), further introduction of environmental management systems (Iso14001) and assessment of the possibility of introducing eco-design, (see annex 1). The possibility of using NEFCO's Revolving Fund for financing cleaner production should be fully pursued.

Ms. Israelson introduced Sweden's action plan. Sweden has organized capacity building for Russian environmental administrators. The Institute for Environmental Economics at Lund University has organized courses in CP and environmental management for Russian students. The ministers of environment of Sweden and Russia met recently and agreed to establish two working groups; namely, one for cooperation in water issues and one for education on sustainable development. The Swedish Trade Council has arranged two seminars on water purification and sewage-treatment, waste and district heating in St. Petersburg. The main thing in Russia has been the Swedish EPA's project "Systems for establishing effluent limits based on BAT in accordance with HELCOM recommendations as a basis for improved environmental conditions" in St. Petersburg area. Sweden and Finland have been co-partners in this project. Introducing BAT-principle by learning and hands on-methodology has been most important. (annex 2)

Mr. Hietamäki introduced Finland's action plan (annex3). Finland has financed cooperation between Finnish and Russian environmental laboratories and training on air emission measurements. Finland has supported environmental management projects to develop ISO 14001 environmental management systems at three facilities in Karelia. Projects will also be carried out in the Murmansk and Arhangelsk regions in a similar fashion. University level training courses on CP could be also developed. Mr. Hietamäki also said that there's a plan to visit authorities and a few companies in the Russian part of Barents Region, in order to learn more about the implementation of the environmental legislation and targets of environmental protection, of both the authorities and representatives of industry.

Mr. Hietamäki proposed that the members of the Task Force would study the national action plans and send their comments to Helsinki in two weeks time. The Russian part introduced their action plan already in December at the Helsinki meeting, but it was not clearly pointed out, how much the Russian Ministry of Natural Resources is ready to invest to this cooperation, Hietamäki said.

Mr. Solomonov noted that some attempts have been made to organize training in CP in the institutes, for instance in forestry institutes and vocational schools. Unfortunately, Norway has financed only two courses at the vocational schools, he said. There has been a proposal to combine energy efficiency and CP centres, but according to Mr. Solomonov they should not be combined, rather a course on energy efficiency could be included as one topic of the CP courses.

Mr. Kinnunen supported the idea to have CP-courses also at the universities. He noted that there could be also some training in informatics, because there's a huge amount of information on cleaner production at the Internet, which could be made available in the curriculum of universities.

Ms. Slettemark made a short presentation on the idea of sustainable production and consumption and how it is tested in practice in Norway.

Mr. Hietamäki thanked Ms. Slettemark on her presentation, named it as an a "appetizer" and said that he will try to develop this and prepare a paper how to fit this ideology in the work of the Task Force.

The mandate of the task force was discussed, because it was given only for preparing the CP policy document for Luleå meeting. It was agreed, that Mr. Hietamäki would raise the question of extending the mandate at the next day's meeting of Barents Region environmental working group. The Task Force also accepted that Mr. Hietamäki will give an oral report on the work of CP task force at the meeting of the WGE. We see many positive signals and there certainly is development, but a stronger commitment from all parties is needed for implementation of the policy paper, Mr. Hietamäki said.

The participants were reminded that the projects on the elimination of hot spots demand much commitment from the Russian owners of the companies, as well as from the consultants. Ms. Slettemark proposed the idea of developing several smaller projects with joint efforts inside one company or for one hot spot. Ms. Haapala noted that one should also focus on new EU financing methods, which will be launched this autumn. The existing cross-border cooperation will be renewed by combining the Interrec- and Tacis-CBC programmes into Neighbourhood programmes.

Mr. Poutanen stressed that the renewal of cross-border cooperation is connected to the EU enlargement and the wider Europe approach. The Ukraine and Belarus are the real new neighbours. The Baltic states, Poland and Kaliningrad are part of this dialogue. One concrete outcome of the new situation is that Russia will be an equal partner in the steering committee of the programme in a similar way as the new southern neighbours of the EU. Russia can participate fully in the formulation and selection of the projects.

Ms. Yanchik spoke about the CP- round table, planned to be held in Moscow next December. The idea of the round table has been developed further and the Ministry of Natural Resources has promised to support the organizing committee. Mr. Poutanen asked whether the large international participation in the round table has been scaled down more closely, for instance, to the Barents Region area. Ms. Yanchik said that as soon as the new structure of the Ministry will be clear, they expect to move forward with the restructuring of the round table. The expert group meeting on the restructuring should be organized as soon as possible.

Mr. Hietamäki thanked the participants for the meeting and said that we'll wait for the comments on the action plans in two weeks time. After that a summary of the action plans will be made, as well as a paper on how to integrate the idea of sustainable production and consumption into the implementation of the CP policy document of the Task Force. The next meeting of the Task Force will be organized in the autumn, probably back to back with the WGE.