

WORKING PLAN FOR THE BARENTS EURO-ARCTIC COUNCIL WORKING GROUP ON ECONOMIC COOPERATION 2010-2011

During the Swedish chairmanship of the Barents Euro-Arctic Council 2009-2011, the development of the economic potential of the region in an environmentally sustainable way – to promote an “eco-efficient economy” in the North – is the a main focus. By creating a common understanding of the potential of a green wave the Barents Region can move towards stronger competitiveness, prosperity and new jobs.

The chairmanship of the Working Group on Economic Cooperation 2009-2011 recognises the importance of the over all Swedish chairmanship’s focus.

The Barents Region has a significant potential for economic development, but potential negative effects of globalisation, climate change, and environmental impacts must be taken seriously.

The priority areas of this working plan will be based on the result of the Barents ministerial meeting for Competitiveness in Umeå on 18-19 May 2010, attended by officials and regional representatives from Finland, Iceland, Norway, the Russian Federation, and Sweden.

The Umeå Declaration which was agreed on at the meeting identifies the following priorities within the competence area of the BEAC WGEC:

- (1) Increased cross-border co-operation between business organisations,
- (2) Establishing platforms for exchanges between young entrepreneurs;
- (3) Minimizing administrative impediments for enterprises – especially in relation to customs and border crossing.

The declaration ends by calling upon the BEAC WGEC to:

- (4) Promote sustainable use of natural resources;
- (5) Promote access to the global markets for the region’s resources and thereby increase the region’s interconnectedness for transport, promote entrepreneurship by increased cross-border co-operation; and
- (6) Expand sustainable tourism.

THE BEAC WGEC HAS AGREED TO THE FOLLOWING PRIORITIES

1. Promote sustainable use of natural resources in the Barents Region

Supply of raw material is becoming an increasingly important strategic growth factor worldwide, and the competition for raw materials is intensifying. The Barents Region is an important producer of natural resources and an important supplier of raw materials and know-how above all in the field of forestry products, fishery products, minerals and metals.

– *Promote access to the global markets for the region's resources*

With increasingly scarce mineral resources, the mineral industry in the Barents Region can even play a more important role in the future. However, the Barents Region must not become solely a provider of raw materials to Europe and the rest of the world. There is a huge potential for more local processing on the region's resources. Improved processing technology is needed to fully utilize the potential value of our resources. Because of the mutual interest in the Barents Region's rich natural resources and the common understanding of the need to use these assets in a sustainable way a deepened cooperation with the European Union is welcomed in order to take advantage of the potential of this region.

The key for unlocking the potential values of natural resources in the Barents Region is also dependent on an integrated, sustainable, efficient and environmentally sound network of transport infrastructure in the Region to bring these resources to a wider European and Global market. One example is the prospect of a navigable Northern Sea. The development of the railway would also be important for realizing the region's full potential.

Action point:

BEAC WGEC Chairmanship: Explore the possibility to promote the Barents Region and its mineral industry in EU by arranging a seminar in Brussels on these topics.

– *Monitoring the ongoing cooperation between the national geological surveys on the geology and mineral deposits*

There is a need for new deep geophysical surveys and the possibilities for deep drillings. To better find more scattered deposits, such as rare earth minerals, more detailed geochemical analyses and advanced mineral characterization is needed.

Action point:

BEAC WGEC Chairmanship: Assemble information on the state of the current cooperation between the countries national surveys.

- *High level education, human resources and skills development.*

At the Barents ministerial meeting on competitiveness in Umeå, several participants emphasized the need for strengthening the prosperity of the region by investments in higher education. This would increase the value added of the region.

Action point:

BEAC WGEC Chairmanship: Assemble information on the state of the current cooperation between key universities in order to find out if and to what extent there exists co-operation and what possibilities there are to start or develop such a co-operation.

2. Minimizing administrative impediments for enterprises – especially in relation to border crossing.

Procedures and controls governing the movement of goods across the national borders in the region can be improved to reduce associated cost burdens and maximise efficiency while safeguarding legitimate regulatory objectives. The BEAC WGEC attaches great importance to minimizing administrative impediments for trade and supports the important work done by the BEAC Working Group on Customs Cooperation in this field. Contact and cooperation between the working groups and with the industry/enterprises should be increased.

Action point – long term:

BEAC WGEC Chairmanship: Look into if the mining industry have any specific problems with administrative impediments in relation to border crossing.

BEAC WGEC: Increase contact and cooperation with BEAC Working Group on Customs Cooperation and industry/enterprises.

3. Increased cross-border co-operation between business organisations and young entrepreneurs

In order to strengthen the cross-border business cooperation the BEAC WGEC should promote local initiatives for increased cooperation between business organisations and between young entrepreneurs in the Barents Region. This must be carried out in close cooperation with the regional authorities since regional engagement is crucial.

Action point:

BEAC WGEC Chairmanship: Assemble information on the state of the current cooperation between business organizations, such as chambers of commerce, in order to find out the current state of relation and what possibilities there are to start or develop such a co-operation.

BEAC WGEC Chairmanship: Establish a contact with the Working Group on Investments and Economic Co-operation in order to examine possible ways to cooperate in the future.

BEAC WGEC Chairmanship: Establish a contact with the Working Group on Youth Policy in order to examine possible ways to cooperate in the future.

BEAC WGEC Chairmanship: Investigate the possibilities to arrange a Barents Industrial Partnership conference in 2011 in close cooperation with regional authorities. Themes, purposes and list of participants to be decided later.