



## **WORKING GROUP ON ECONOMIC COOPERATION**

### **Finnish chairmanship 2013–2015: Activity report**

The Finnish chairmanship of the Working Group on Economic Cooperation (WGEC) based its priorities on the priorities of the Finnish Chairmanship of the Barents Euro-Arctic Council (BEAC) 2013–2015, which were:

- Economic cooperation, including transport and logistics,
- Environment and climate change,
- Youth.

Additionally, the Finnish BEAC Chairmanship worked to promote tourism, cultural cooperation, health and social well-being, as well as emergency and rescue cooperation. The possibility of establishing a financial mechanism for the Barents region was investigated.

As BEAC Chair, Finland worked for the *dynamic, inclusive and sustainable development* of the Barents region. Concrete achievements during the Finnish term included, among other things, a review of the financing of Barents cooperation projects, ensuring the financing for the Working Group of Indigenous Peoples, a survey of the development needs in the Barents road network and the implementation of the Barents Rescue Exercise in Kittilä, Finland. Moreover, Finland responded to the challenges of climate change by starting the implementation of the Barents Action Plan on Climate Change. Additionally, Finland promoted cleantech solutions and bio-energy as significant drivers of sustainable economic cooperation.

#### **Working Group on Economic Cooperation: Activities under the Chairmanship priorities**

During the Finnish Chairmanship of the Barents Working Group on Economic Cooperation the focus was on the possibilities for increased economic cooperation between the member states in the following areas:

##### **1. Cleantech knowledge**

As a result of increased economic activity in the Barents region the environment is subjected to greater strains. The Finnish Chairmanship wanted to promote environmental sustainability through strengthening cleantech knowledge. While offering solutions to environmental challenges, cleantech knowledge can also improve the competitiveness of industries and services.

## Activities:

The Cleantech Innovations in Minerals Production Conference was held in Helsinki 10 September 2015. The conference discussed challenges in the Barents and Arctic area and the opportunities clean technologies provide for sustainable minerals sector. The topics included resources and mining in the Barents and Arctic regions, adaptation to climate change and sustainable innovations. There were 220 participants in the conference.

The Cleantech Innovations in Minerals Production Conference was a part of the Global Cleantech Summit 2015, organized in Helsinki 8-10 September 2015. The general aim of the Global Cleantech Summit was to contribute to a roadmap on how to meet global challenges by utilizing cleantech innovations. The slogan of the summit was *“Doing. Not just talking. Business”*.

The Conference presentations discussed the future development of the extractive industry as well as illustrated few operative practical applications. Climate change poses both major challenges as well as opens up new possibilities for the mining industry. Especially deep sea mining raised active discussion among the Conference participants. Cleantech innovations can be utilized in every stage of the minerals industry value chain. Cleantech can bring solutions to future mining, to the use of metals in circular economy and industrial symbiosis.

## 2. Sustainable mineral industry

The mining industry offers opportunities for economic activity and livelihood in the Barents region. At the same time, the consequences of utilization of natural resources to the vulnerable Arctic environment, as well as influence on other businesses and local communities, need to be considered. This is a precondition for the development of environmentally, socially and economically sustainable mining in the region.

## Activities:

The Conference “Cleantech Innovations in Minerals Production” (see above).

The project Finnish-Russian Arctic Mining Initiative was carried out by Spinverse Ltd. as part of the Finnish WGECC Chairmanship and the Finnish Green Mining Programme 2011–2016. The project was funded by the Finnish Ministry for Foreign Affairs. The aim of the project was to form sub-clusters of companies, research organizations and other actors to serve the end customer better. The project identified the key needs for research and innovation activities concerning the mines in North-West Russia. Three priority areas were determined: 1. mine closure 2. water balance and 3. process optimization. Moreover, match making and seminar events were organized for relevant Finnish and Russian organizations to prepare joint research and innovation projects in the field.

### 3. Cross-border business cooperation

Initiatives for cross-border business cooperation and people-to-people contacts were promoted during the Finnish Chairmanship. The involvement and commitment of regional authorities and companies are crucial for regional cooperation. Their role in the economic sector was emphasized in the work of the working group as well as in the events taking place during the Finnish WGEC Chairmanship.

#### Activities:

Barents Industrial Partnership (BIP) meeting was the closing event of the Finnish WGEC Chairmanship, organized 14-15 October in Oulu, Finland. The BIP meeting was for the first time organized back-to-back with the Barents Euro-Arctic Council Foreign Ministers and Barents Regional Council meetings. The aim was to enhance coherence and visibility of Barents cooperation by collecting multiple Barents events in the same time in the same venue.

The themes for the BIP-meeting were: 1. Arctic ICT and possibilities of digitalization 2. Achieving More Together – Growth for Barents Tourism and 3. Prospects for financing in the Barents Area. Cross-border business cooperation and small and medium size enterprises were a cross-cutting theme – a good share of the companies operating in the ICT and tourism sectors in the Barents area are SMEs. The Finnish Chairmanship highlighted sectors that bring livelihood and jobs to the region.

The BIP meeting was targeted especially at the companies operating in the Barents region. The meeting gathered 50 participants.

#### **Barents forest sector cooperation**

The Finnish WGEC Chairmanship also supported cooperation in the forest sector. The Barents Forest Sector Network is an administrative part of the WGEC.

The former Barents Forest Sector Task Force revised its mandate in 2014 and changed its name into Barents Forest Sector Network. The aim of the network is to promote sustainable management of forest resources, to follow and timely contribute to BEAC activities, to advocate balanced and coherent view on forests as well as on products and services they provide.

#### Activities:

The Barents Forest Forum was organized in Joensuu, Finland on 17-18 September 2015. The Forum focused on the role of forest-based bio-economy in the Northern Europe, in particular wood construction, and on forest-based energy as drivers of sustainable development.

## **Working Group on Economic Cooperation: meetings**

The Working Group on Economic Cooperation convened three times under the Finnish Chairmanship.

Finnish WGEC Chairmanship invited representatives from other working groups (environment, tourism, transport) to give presentations in the WGEC meetings. Synergies were found as economic cooperation interlinks with several cooperation sectors in the Barents area.

In the first meeting on 16 September 2014 the results of the Norwegian WGEC Chairmanship were introduced. The Ministry for Foreign Affairs provided information on the Finnish BEAC chairmanship 2013–2015 and The Ministry of Agriculture and Forestry on the state of play in the Barents forest sector cooperation. The working group discussed and finalized its priority paper for the Finnish Chairmanship period. Representatives from Sweden, Norway, Russia and Finland, as well as the International Barents Secretariat were present at the meeting.

WGEC approved the new status of the Barents Forest Sector Network by silent procedure on 1 December 2014.

Second meeting on the WGEC was held 12 May 2015. Information on the Finnish BEAC chairmanship and the upcoming activities of the working group (e.g. Cleantech Summit and BIP meeting) were on the agenda. The Finnish-Russian Arctic Mining Initiative project was discussed, as well as current activities of the Barents Business Advisory Group (BBAG). The working group focused also on the implementation of the BEAC Action Plan on Climate Change. Representatives from Norway, Russia and Finland, as well as the International Barents Secretariat were present at the meeting.

The third and last meeting during the Finnish WGEC Chairmanship was held on 11 September 2015. The meeting discussed the results of the Conference on Cleantech Innovations in Minerals Production and Cleantech Summit, and received an update on the Finnish BEAC Chairmanship. The Joint Working Group on Tourism (JWGT) and the Steering Committee for the Barents Euro-Arctic Transport Area (BEATA) were introduced and synergies discussed. The Finnish Ministry for Foreign Affairs also presented the Final Report of the BEAC Ad-hoc Working Group on Financial Mechanism Study. Moreover, plans for the upcoming BIP meeting were touched upon.

### **Calendar of events:**

**16 September 2014, Helsinki:** First meeting of the Working Group on Economic Cooperation.

**12 May 2015, Helsinki:** Second meeting of the Working Group on Economic Cooperation.

**10 September 2015, Helsinki:** Cleantech Innovations in Minerals Production Seminar (a session on sustainable mineral industry in the Arctic and Barents regions).

**11 September 2015, Helsinki:** Third meeting of the Working Group on Economic Cooperation.

**17-18 September 2015, Joensuu:** Barents Forest Forum.

**14-15 October 2015, Oulu:** Barents Industrial Partnership Meeting.