

Protocol

From the 11th Meeting of the Norwegian-Russian Governmental Commission on Economic, Industrial and Scientific-Technical Cooperation

The eleventh meeting of the Norwegian-Russian Governmental Commission on Economic, Industrial and Scientific-Technical Cooperation was held in Moscow on 22 October 2008.

The Norwegian delegation was headed by Minister of Trade and Industry of Norway, S.K. Brustad. The Russian delegation was headed by First Deputy Prime Minister of the Russian Federation V.A. Zubkov.

The Commission meeting took place in a constructive and friendly atmosphere.

The Commission discussed the following issues:

1. Exchange of information on the economic situation in Russia and Norway. Status and perspectives for bilateral trade and economic cooperation

After the exchange of information about the economic situation in Norway and in Russia, the sides expressed satisfaction with the positive developments in the two countries' economies, which contribute to the strengthening of mutually beneficial cooperation.

The sides noted that trade and economic cooperation between the two countries had developed further since the last Commission meeting.

The two sides expressed satisfaction with the cooperation in the sphere of investments. They took note of the increasing volume of Norwegian investments in Russia, and expressed the goal to promote more beneficial conditions for attracting investments, including in special economic zones in Russia.

The Norwegian side drew attention to Telenor's activities as Norway's largest investor in the Russian market, and emphasised the company's continued long-term commitment in Russia.

The Russian side informed about the new law on foreign investments in strategic sectors of the Russian economy.

The sides noted that the visits of the Norwegian Prime Minister J. Stoltenberg to Murmansk, Moscow and St. Petersburg in June 2007, his participation at the 11th St. Petersburg International Economic Forum, as well as the meeting between the Minister of Trade and Industry, D. T. Andersen and the Minister of Economic Development and Trade, E. S. Nabioullina, in Moscow in December 2007, and the participation of the Minister of Trade and Industry, D. T. Andersen at the 12th St. Petersburg International Economic Forum in June 2008, have further strengthened bilateral economic relations between Norway and Russia.

The sides highly appreciated the active work for the development of the legal foundation for trade and economic cooperation. Since the last Commission meeting bilateral agreements were signed on visa facilitation, readmission, cooperation in the fight against drug trafficking. In November 2007 the Agreement on Automobile Transport, and in July 2008 the Agreement on Delimitation at Sea in the Varanger fiord area, entered into force.

The sides welcomed the signing during the Session of the Commission of the Agreement between the Federal Financial Monitoring Service of the Russian Federation and the Norwegian National Authority for Investigation and Prosecution of Economic and Environmental Crime on cooperation against legalisation of revenues from criminal activity and financing of terrorism, and noted with satisfaction the high level of readiness to sign an agreement between the Ministry of Health and Social Development of Russia and the Norwegian Ministry of Health and Care Services on cooperation in the field of regulating nuclear energy safety and exercising sanitary-epidemic inspections, and also the Protocol on cooperation between the Federal Service for Hydrometeorology and Environmental monitoring of the Russian Federation and the Norwegian Meteorological Institute.

The Russian side proposed to intensify negotiation processes on governmental agreements on cooperation in the field of aviation search and rescue, on cooperation in the field of education and science, as well as on agreements on cooperation between the Prosecutors General of Norway and Russia, and between the Prosecutor General of Russia and the Ministry of Justice and the Police of Norway.

The Norwegian side drew attention to a joint venture project between Andøya Rocket Range and the Italian Space Agency, which also involves participation of Russian scientists, with regards to a request for safe passage over Russian air space of scientific balloons sent from the Svalbard Archipelago to circle the North Calotte. A request for safe passage over Russian air space has been submitted to relevant Russian authorities. The Russian side assured that this request will be studied most attentively in accordance with national legislation and existing practice.

The Norwegian side pointed out that a pilot project for the extension of opening hours at the “Borisglebsk – Storskog” border station could contribute to increased traffic of goods between Norway and Russia.

The sides noted the constructive work of the joint study group for the examination and appraisal of relations in trade and investment between member states of the European Free Trade Association and the Russian Federation in preparing a joint report on access to the markets for goods, services and investments. The sides agreed that cooperation between EFTA and the Russian Federation should be developed further.

The Norwegian side stated that it welcomes Russia’s early accession into the World Trade Organisation. Russian membership will contribute to further strengthening of economic and trade relations with Norway.

The sides confirmed a joint interest in the further development of banking relations with the aim of creating additional conditions for growth in trade and investment cooperation between Norway and Russia. With the aim of expanding a multi-faceted financing of export and import operations, the sides agreed to encourage the widening of banking cooperation within

the framework of structural and trade related financing (project financing, import financing, pre-export financing, agreements on trade loans).

The sides noted the intensification of cooperation between the national tourism administrations of both countries. With the aim of promoting joint opportunities in tourism and to establish closer contacts between leading representatives of the Norwegian and Russian tourism associations, the sides agreed to encourage an expansion of their expositions at the international exhibitions “Tourism – 2009” in Norway and at “Intourmarket-2009” in Russia.

For the further strengthening of relations in the sphere of tourism between Norway and Russia, the sides agreed to encourage cooperation in the following areas:

- organisation of information travels for representatives of the tourist media;
- exchange of information about new tourism investment projects;
- participation at international tourism exhibitions arranged with the support of state bodies of both countries.

The sides noted with satisfaction that the activities of the chambers of commerce and industry have taken Norwegian-Russian cooperation further, including in the field of small and medium-sized businesses. An active exchange of business delegations is taking place, and the contacts between Norwegian businessmen and Russian regions are expanding. The sides noted the activity of the Norwegian-Russian Chamber of Commerce and its contribution to the development of economic cooperation between Russia and Norway.

Referring to the dialogue between Norwegian and Russian authorities on ways for an expedient resolution to the problem of harmful transboundary pollution from the Pechenga Nickel smelter, it was agreed that the Russian side would consider possible measures to reduce emission to an acceptable level, and inform the Norwegian side.

2. Sector cooperation

2.1. Energy

The two sides underlined that the development of the strategic partnership in the field of energy that was introduced at the Norwegian-Russian high level meeting in June 2005, and cooperation on the basis of the “Joint Declaration on Cooperation in the Energy Sector” of the Heads of the Norwegian and Russian Governments (June 2005), create considerable opportunities for joint development in the hydrocarbon sector between Norwegian and Russian companies with great experience in working in Arctic conditions.

The sides confirmed that, taking into account the situation in the global Norway oil market, and Russia, in their capacity of being major producers and exporters of oil, will continue cooperating on the bilateral level, as well as in the framework of international organisations.

The sides noted with satisfaction the positive development of Norwegian-Russian cooperation in the upstream gas sector and confirmed their interest in further strengthening the partnership between the Norwegian company “StatoilHydro” and the OAO “Gazprom” on the Stockman project.

The sides agreed to intensify consultations between Norwegian and Russian companies on increasing the cross-border trade in electric power, and on the project of an electric power transmission line “Khevaskosky-Skogfoss”.

In accordance with high-level agreements, the sides decided to continue the Energy Dialogue and to discuss questions of mutual interest in the fuel and energy complex within the framework of the Working Group on Energy, including cooperation within energy savings, energy efficiency and the use of renewable energy sources. To this aim, the Working Group on Energy will on its next meeting consider the purpose of preparing a draft for a “MoU” within energy savings, energy efficiency and the use of renewable energy sources.

The sides took note of the information about INTSOK’s “Project for Partnership between Russian and Norwegian Oil and Gas partners”, where the objectives are to support increased partnership between Russian and Norwegian oil and gas industry with focus on the Arctic Region, support Russia to reach the target of increased local content, and support the internationalisation of Norwegian and Russian technology services.

The sides took note of the information about the Norwegian-Russian cooperation project “Barents 2020 – Harmonisation of Health, Safety and Environmental Standards in the Barents Sea”, which is led by Det Norske Veritas on the Norwegian side.

2.2. Transport

The sides positively assessed the cooperation in the transport sector, and noted that bilateral contact between relevant authorities and representatives of the business community in the two states in the sphere of transportation have been intensified and acquired a systematic character.

The sides expressed interest in the further development of cooperation in the maritime sector, specifically with a view to increasing maritime safety in the development of the oil and gas potential of the continental shelf, the use of the Northern Sea Route, and securing safe navigation in the Barents Sea. The sides expressed interest in the educational and training programmes between the Admiral Makarov State Maritime Academy, the Baltic Technical University in St. Petersburg and the Norwegian Shipowners’ Association.

The Norwegian side expressed a need for further cooperation on oil spills response in the northern waters, with regards to the dark and cold conditions.

The Russian side informed that according to an enactment issued by the Government of the Russian Federation in February 2008 “On the Approval of Regulations for Receiving Permission to Traffic the Inner Waterways of the Russian Federation for Vessels Sailing under the Flag of Foreign States”, it is possible to receive permission for Norwegian vessels to sail on Russian rivers and channels, including to the port Kem in the White Sea.

The Russian side noted that the annual quota of permits for road transports between Norway and Russia determined in 2003 does not correspond to the growing volume of cargo transports. The sides agreed to continue considering issues in the field of road transport, including agreeing on annual quotas for two-way transport permits, and to improve proceedings at the border crossing station “Storskog-Borisglebsk”.

The sides welcomed the opening of the Oslo-Moscow v.v. connection by the airliner “Norwegian Air Shuttle” under the existing Air Services Agreement between the two countries, and agreed to continue the cooperation between Norwegian and Russian Aviation Authorities on the development of air traffic between the two countries.

The Norwegian side expressed its continued interest in obtaining a permit for North Atlantic Cargo to start flights to Japan and China over the Trans-Siberian route. The Norwegian side emphasised that the Norwegian carrier is prepared to enter into a commercial agreement with a Russian carrier for such operations.

The Russian side directed attention to the Norwegian Aviation Authorities’ limitation of the Federal State Unitarian Enterprise Russian State Trust Arcticugol’s helicopter flights on the Svalbard Archipelago, and carried out by the Russian airline company “SparkPlus”, which negatively affects Russia’s economic and scientific activities on the Archipelago, and, by the opinion of the Russian side, contradicts the rules of the Svalbard Treaty of 1920 forbidding the establishment on the Archipelago of any kind of monopoly concerning any kind of enterprise.

The Norwegian side referred to the diplomatic note of May 15 2008 that explains the Norwegian position in this matter. The issue has been dealt with by competent Norwegian authorities in full accordance with the Svalbard Treaty, and the relevant rules and regulations. The Norwegian side also referred to the relevant letters of the authorities in this matter, i.e. the letter of 16 September 2008 from the Ministry of Transport and Communications to State Trust Arcticugol.

2.3. Fisheries

The sides noted the successful cooperation in the field of fisheries within the framework of the Joint Norwegian-Russian Fisheries Commission.

The sides noted with satisfaction that during the 37th session of the Joint Norwegian-Russian Fisheries Commission, the sides agreed to establish a working group for the elaboration of unified fishery regulations, on the entire area of joint stocks in the Barents Sea and the Norwegian Sea.

The sides noted the need for further cooperation between the Norwegian Directorate of Fisheries and the Federal Agency for Fisheries of the Russian Federation on the assessment of overfishing of quotas for cod and haddock in the Barents Sea and the Norwegian Sea.

The Russian side drew attention to the need for discussing the assessment of overfishing based on mutual trust and the most reliable and agreed data in accordance with agreements concluded within the framework of the Joint Norwegian-Russian Fisheries Commission.

The Russian side informed about changes in the legislation of the Russian Federation in the area of fisheries which state the necessity, effective from 1 January 2009, as a compulsory requirement to bring in bioresources caught outside the customs territory of the Russian Federation, to the customs territory of the Russian Federation.

The parties expressed their interest in expanding their investment cooperation within fisheries, and agreed to encourage such cooperation between Russian and Norwegian companies.

The sides emphasised that the Joint Report of 2008 on the Inspection of Management and Control of Fish Resources, prepared by the Office of the Auditor General of Norway and the Accounts Chamber of the Russian Federation has contributed to further development of cooperation in the area of fisheries.

2.4. Veterinary certification of Norwegian fish products

The sides noted with satisfaction the positive results of the joint work carried out by the Norwegian Food Safety Authority and the Federal Veterinary and Phytosanitary Authority in 2007-2008, and their plan to sign in the beginning of 2009 an MoU on cooperation on safety of imports and exports of fish and fish products.

2.5. Regional cooperation

The sides noted the positive results of the regional cooperation between Norway and Russia and expressed readiness to increase it further.

The sides noted with interest the future Kolarctic European Neighbourhood and Partnership Instrument CBC 2007 – 2013. The programme will continue to promote cross-border cooperation between the countries in the North Calotte and Russia to develop their cross-border economic, social and environmental potential in line with the strategy and priorities jointly agreed by the Finnish, Swedish, Norwegian and Russian partners.

The sides agreed to encourage cooperation between Norwegian and Russian regions in the areas of transport and communication, public health, housing and communal economy, and education.

The sides took note of the information about Murmansk Oblast's proposals to attract Norwegian investments to Murmansk Oblast, preferably for the construction of cooling and fish processing facilities. To that end the Russian side submitted a non-paper with a list of priority projects. The sides agreed to study these proposals within the frame of the Working Group on Northern Regions.

The sides appreciated the cooperation between regional partners in Northern Norway and Murmansk to create a permanent sea transport route from Murmansk to other European ports within the framework of the Northern Maritime Corridor.

The Russian side notes the interest of "Rosselkhosbank" in cooperation with Norwegian financial institutes and the Norwegian agency of export credits "Eksportfinans" within financing of priority projects in the sphere of the Agroindustrial complex and related spheres of the economy within the cooperation of the Northern regions of Russia and Norway.

2.6. Working groups

The sides noted that meetings had taken place in the following Working Groups:

- on Tourism in October 2007 in Oslo;
- on Information Technology and Innovation in February 2008 in Moscow;
- on Cooperation in the Northern Regions in April 2008 in Moscow.

The sides took note of the following plans for future meetings of the Working Groups:

- on Tourism in second half of 2008 in Russia;
- on Information Technology and Innovation in April 2009 in Norway;
- on Cooperation in the Northern Regions in the first half of 2009 in Norway.

The sides agreed to resume the activity of the Working Group on Scientific-Technical Cooperation, and in the first half of 2009, to examine the possibility of establishing a Working Group on shipbuilding.

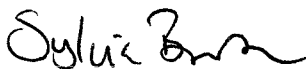
3. Time and place for the 12th meeting of the Commission

The two sides agreed to continue the existing practice of holding bilateral meetings and consultations in the period between meetings.

The sides agreed to hold the 12th meeting of the Norwegian-Russian Governmental Commission on Economic, Industrial and Scientific-Technical cooperation in Norway in 2009. The agenda and time for the meeting will be agreed through diplomatic channels.

Signed on 22 October 2008 in Moscow in two versions, in the Russian and English languages. Both versions are equally valid.

Chairman of the Norwegian side of the
Norwegian-Russian
Governmental Commission



S.K. Brustad

Chairman of the Russian side of the
Norwegian-Russian
Governmental Commission

V.A. Zubkov

