



DET KONGELIGE
UTENRIKSDEPARTEMENT

Utenriksministeren

Stortingets kontroll- og konstitusjonskomite
Stortinget
0026 Oslo

Oslo, 27. april 2012

Behandlingen av Utenriksdepartementets tilskudd til oppstart av Senteret for Nordområdelogistikk

Jeg viser til brev fra komiteen datert 26. april, hvor det vises til oppslag i Aftenposten 25. april, og det anmodes om at ny informasjon oversendes Stortinget. Overskriften i Aftenposten kan ha etterlatt inntrykk av at departementet i dag har ytterligere informasjon som vil bli fremlagt under høringen. Det er ikke tilfelle. Utover dokumentene som fulgte redegjørelsen av 13.4.12 har ikke departementet ny dokumentasjon å oversende, herunder interne saksdokumenter. Jeg vil i møte med komiteen svare på spørsmål og om ønskelig utdype redegjørelsen ytterligere.

I min redegjørelse viser jeg til at Utenriksdepartementet har etterspurt statusrapport og regnskap for CHNL for 2011. Statusrapporten er nå mottatt, og vedlegges dette brev.

Skulle Utenriksdepartementet i forberedelsene til høringen finne annen relevant dokumentasjon, vil jeg omgående sende dette til komiteen.

Når det gjelder spørsmålet om min habilitet til å innvilge søknaden om støtte til opprettelse av senter for nordområdelogistikk i 2008, var det min vurdering, som det fremgår av redegjørelsen av 13.4.12, at jeg var habil. Jeg har ikke bedt om å få denne beslutningen vurdert i ettertid av verken interne eller eksterne organer.

For øvrig vil jeg gjenta det jeg skrev i redegjørelsen av 13.4.12 at dersom det skulle komme konkrete beslutninger på mitt ansvarsområde knyttet til Felix Tschudis næringsvirksomhet vil jeg være åpen for å vurdere min habilitet på ny, i lys av hvilken sak som måtte foreligge. Dette har jeg varslet den administrative ledelsen i Utenriksdepartementet om.

Med vennlig hilsen

Jonas Gahr Støre

April 20th 2012

CHNL's Status Report 2011

From: Managing Director of the Centre for High North Logistics (CHNL)
To: The Ministry of Foreign Affairs
Postboks 8114 DEP, 0032 OSLO

Att: Else Kveinen and Ole T. Horpestad

Status of the Project "Centre for High North Logistics (CHNL)" Project no. 3085065

With the reference to:

- The award letter from the Ministry of Foreign Affairs dated 7th of November 2008
- The letter from the University in Nordland dated 18th of August 2009
- The letter from CHNL dated 18th of October 2010
- The CHNL Status Report 2009, dated 15th of February 2010
- The CHNL Status Report 2010, dated 9th of March 2011
- CHNL's Activity Reports from the Managing Director, dated May 23, June 16, June 30, August 11, August 26, and November 2, 2011, and February 6, 2012.

Please find an updated CHNL's Status Report for 2011 providing information on current focus areas, main activities, and new employees since the last report to the Ministry of Foreign Affairs of 9th of March, 2011.

CHNL's Financial Statement for 2011 will be forwarded to the Ministry as soon as it becomes available from our auditors Ernst & Young and been approved my CHNL's Board of Directors.

CHNL was formally established on the 27th of May 2009. CHNL is an international non-profit organization (næringsstiftelse) and encourages participation from all nations and institutions

interested in Arctic shipping and logistics. CHNL is based in Kirkenes, Norway, with an additional office in Murmansk, Russia. The mission of CHNL is to build-up an international knowledge network of key businesses, research institutions and public authorities on Arctic transportation and logistics, provide access to up-to-date logistics information, and act as a gateway for creating and developing more efficient and sustainable infrastructure and logistics solutions in the Arctic.

A reference is made to the strategic objectives of CHNL described in the 2010 Status Report from the 9th of March, 2011. Since the last report the following activities/changes have taken place:

1. New Employees at CHNL

Dr. Bjorn Gunnarsson became the Managing Director of CHNL in April 2011. He is based in CHNL's main office in Kirkenes. Bjorn received his B.Sc. in geology from the University of Iceland, Reykjavik, and Ph.D. in geochemistry from Johns Hopkins University, Baltimore, U.S.A. He was then a Research Fellow at both California Institute of Technology (Caltech) in Los Angeles and at Johns Hopkins University. Other assignments included Program Advisor and Faculty in the School of Continuing Studies (now School of Professional Studies in Business & Education) and Associate Program Chair of the Master Program in Environmental Science & Policy, both at Johns Hopkins University; Director of the Environmental Research Institute of the University of Iceland; Dean of the Faculty of Natural Research Sciences at the University of Akureyri, Iceland; and Rector and Founder of The School for Renewable Energy Science, Iceland.

Mr. Sergey Balmasov became the Head of CHNL's Arctic Logistics Information Office (ARCLIO) in June 2011. He is based in CHNL's office in Murmansk, Russia. He is educated as an Engineer-Navigator from the Murmansk State Technical University. Prior work experience included Senior Consultant within the Sector for Ports & Logistics at Ramboll Barents; Founder and Co-Owner of Respect Services in Murmansk; General Director of Belomortrans-Murman; Head of Agency Service Department of BMT-Murmansk; and Navigator at the Murmansk Trawl Fleet.

2. Development of the ARCTIS Knowledge Hub

ARCTIS (Arctic Resources & Transportation Information System) is a user-friendly and searchable database (with wiki-based architecture) which will provide the best available information on Arctic shipping, transportation infrastructure, non-living Arctic resources (oil, gas, minerals), and logistics covering the whole Arctic Ocean. No other such database currently exists that provides such information.

During the year much work took place on the database design; organizational structure and functions; search features; editorial process and publishing procedures; as well as on the main focus areas to be addressed by the database and different ways to display the content

material. This work also included performing an interest analysis and identifying the main users/target groups, and defining various cost elements and suggesting a model for a sustainable operation of ARCTIS. The work took place in several steering group meetings with representatives from the University of Tromsø (Department of Engineering & Safety and the Barents Institute), Ocean Futures, CognIT and CHNL. All software development work was completed in the beginning of March of this year (by the IT company CognIT AS but fully financed by CHNL).

The content from the CHNL's financed (with Innovation Norway) *Shipping in Arctic Waters Report* is the first material to be entered into the database, in addition to a large number of documents regarding navigation on the Northern Sea Route and Russian Arctic ports and terminals, which CHNL has had translated from Russian to English.

The official launch of ARCTIS is scheduled for late summer/early fall of this year, but a demo presentation will take place at the international IPY (International Polar Year) Conference in Montreal, Canada, later this month on April 26 and 27. This event will be attended by about 2,500 Arctic experts and is the final event of the IPY (See more detailed information on ARCTIS in Appendix 1).

3. Establishment of ARCLIO

CHNL's Arctic Logistics Information Office (ARCLIO) was established in April 2011 in Kirkenes. Additional support came from the Norwegian Barents Secretariat (financial support) and FSUE Rosatomflot in Murmansk (providing consultation). In the beginning of January 2012 the office was relocation to Murmansk, Russia. The main activities to date include establishing cooperation with all those Russian organizations which are directly involved in the arrangement of shipping and logistics on the NSR, i.e. those that are primary sources of important information and knowledge about shipping in Arctic waters (e.g. Rosatomflot, NSR Administration, Central Marine Research & Design Institute, Sea Captain Association, Murmansk Shipping Company, and others). This will allow ARCLIO to present relevant and reliable information to the international shipping community, oil and gas industry, and other business enterprises interested in the region.

Already much information has been collected (and translated to English) and uploaded to ARCLIO's website, such as books and documents listing the requirements for the proper design, equipment and supplies of vessels navigating the NSR; rules and regulations for navigation on NSR; navigational guidelines and charts; tariffs; procedures to obtain a permit for icebreaker assistance; information on Russian ports and terminals, and other related materials. ARCLIO's website will be formally launched at the 8th Annual Arctic Shipping Forum in Helsinki, Finland, April 24-26, 2012 (attended by 300+ experts on Arctic shipping).

4. CHNL's Conferences/Workshops

CHNL organized and sponsored one big international conference in cooperation with FUSE Rosatomflot and Arctic Bulk, *Transit Navigation on the Northern Sea Route (NSR)*, which was held in the conference hall of Poliarne Zory Park Inn Hotel in Murmansk 14th of February 2012, followed by a reception on-board the Icebreaker Lenin in Murmansk Harbour. The conference was attended by over 100 participants from 13 countries, with heads of leading companies and organizations in attendance from both Russia and other countries, including a delegation from South-Korea and Japan.

The conference goal was to increase the awareness and interest of commercial shipping companies and support industries in the NSR as a potential future trade route between markets in Europe and Asia, and invite Russian and international experts to take part in this dialogue and exchange of ideas. It was a general consensus that the conference was a major success.

CHNL is also offering a 3-hours long seminar/workshop as part of the 8th Annual Arctic Shipping Forum at the Scandic Continental Hotel in Helsinki on April 27th 2012 on *Logistics & Voyage Planning on the Northern Sea Route*. The CHNL's seminar/workshop will be attended by 30 international shipping experts interested in learning more about future opportunities on the Northern Sea Route.

5. Knowledge Sharing & Networking

CHNL took part in a number of other networking activities and knowledge sharing events.

CHNL informed a large number of Norwegian and foreign delegations visiting Kirkenes (incl. government official, members of foreign embassies, journalists, researchers) about the NSR with a focus on current and future possibilities and challenges, needed infrastructure, and the importance of knowledge transfer and cooperation on shipping and logistics in the Arctic. Rapidly increasing number of university students from all over Norway, as well as from abroad, contacts CHNL for information, while working on their BSc or MSc dissertations dealing with marine transportation in the Arctic and Norwegian-Russian maritime relations.

Presentations were also given at several Norwegian and foreign universities, research institutions, organizations, ministries and local authorities. Several meetings took place in Murmansk, Russia.

CHNL's staff participated in a number of other knowledge sharing events, including: 7th Annual Arctic Shipping Summit in Helsinki (April 2011); Strategic Motorways of the Sea (StratMOS) Workshop in Tromsø (April 2011); NOR Shipping Conference in Oslo (May 2011); Innovation & Safe Cooperation in Barents Euro-Arctic Region in Kirkenes (June 2011); 2nd International Arctic Forum Conference – The Arctic: Territory of Dialogue in Arkhangelsk (September 2011); Futures of the Northern Cross-Border Collaboration in Moscow

(September 2011); Anniversary Conference on Synergies: Industry, Education & Research in St. Petersburg (September 2011); 4th Annual Arctic Shipping North America in St John's, Canada (October 2011); The High North – Infrastructure & Industrial Development in Oslo (November 2011); Information Requirements for Ships Operating in Ice in Tromsø (January 2012); and the 8th Annual Arctic Shipping Forum in Helsinki (April 2012).

This CHNL's Status Report 2011 has been reviewed and approved by the CHNL's Board of Directors.

Sincerely,



Dr. Bjørn Gunnarsson
Managing Director

Appendix 1

The ARCTIS Knowledge Hub

ARCTIS will strive to provide up-to-date and high quality information on the Arctic and play a key role in informing our users about recent developments, operational conditions, technical improvements, and opportunities related to resource development, shipping and logistics in Arctic waters. ARCTIS will strive to be the preferred gateway to know-how for businesses, governments and the research community itself on Arctic shipping and logistics.

The focus of ARCTIS is on non-living Arctic resources (excluding fisheries and forestry) shipping and other means of transport, infrastructure development, and innovative logistics solutions. The content of ARCTIS and the information provided will be tailor-made for the needs of the maritime-logistics and resource development industries in particular. The information provided can be divided into the following main themes/categories:

- a) *General* (including: Arctic climatology; marine geography; Arctic sea ice; Arctic coastal seas; history of Arctic marine transport; Arctic marine transport programs; and Arctic policies & Arctic governance).
- b) *Marine Transport & Logistics* (including: Legal and regulatory framework; technical requirements for ships; types of vessels in the Arctic; icebreaker assistance; ports & terminals; tariffs & port dues; communication & navigational systems; crew competence requirements; marine safety/support – search & rescue; marine insurance; and environmental impacts of shipping).
- c) *Arctic Sea Routes* (including: Transport passages of the Arctic Ocean; navigation on the Northeast Passage (NEP) & Northern Sea Route (NSR); navigation on Northwest Passage (NWP); navigation on the Transpolar Passage (TPP); connecting corridors in southern waters; statistics on transit voyages; and cost comparison between Arctic sea routes & Sues/Cape routes).
- d) *Natural Resources & Infrastructure* (including: Location & types of hydrocarbon resources; energy infrastructure & transport; location & types of mineral resources; mining infrastructure & transport; marine transport infrastructure; road, rail & river transport; transport volumes of natural resources).
- e) *People, Industries & Institutions* (including: Marine transport industries; oil & gas industries; off-shore support industries; coal industries; mining industries; research & university institutions; and profiles of influential people).

f) *Maps*

g) *Case Studies*

h) *Concepts & Definitions*

ARCTIS will pursue a dissemination role for the international research community by making research results and results of demonstrations/case studies known to key stakeholders in as user-friendly way as possible. The aim is to make scientific reports more accessible and more understandable for the shipping and logistics industry so latest research results can be included in their decision-making process and business development. This might contribute to more economically viable, doable, and environmentally friendly transport and logistics solutions for the Arctic.

1. *The Database Structure*

The ARCTIS system has a wiki-based architecture and equipped with a number of additional software support tools from CognIT, the IT-company working with CHNL in the development of ARCTIS.

The idea behind ARCTIS was inspired by online encyclopedias such as the Store Norske Leksikon by Kunskapsforlaget and the popular Wikipedia. Both are wiki-based allowing exchange of information and knowledge by means of well-organized short articles, called wikis. Wiki-based technologies belong to a category of web technologies often referred to as Web 2.0.

Wiki-technologies are now typically used to collect and share information for the general public on the Internet (e.g. Wikipedia) as well as for various businesses and interests groups. The idea behind the technology is that provided information can be tailor-made for the user, and the system can direct interested users to more detailed data and related information.

2. *The Editorial Process*

The editorial process of ARCTIS should allow for both high quality as well as timeliness of the information provided.

Each type of wiki entry in ARCTIS will be supported by a default template and tools that should make writing articles and formatting speedy. Additional considerations are made when introducing multi-media elements like videos and images.

Each key topic/theme of the ARCTIS database will have its own editor, and each theme will be supported by a group of experts providing content material for ARCTIS and participating in the editorial process. There will be one chief editor and several theme editors. The editorial group will consist of those individuals who are well known in the scientific and

business community for their comprehensive knowledge in those areas represented by ARCTIS.

A network of contributors will be created around each theme, assuring qualified coverage. In addition to members of energy/mining companies, shipping and logistics industries, it is likely that younger scientists and researchers will be important contributors to ARCTIS, though established scientists will also serve an important role as content providers.

The suggested editorial process is divided into two distinct parts. The first part is a closed editorial network of experts for: a) article suggestion/nomination; b) article writing/creation and finally; c) peer reviews before publication in ARCTIS. The second part is visible to ARCTIS users and calls for public reviews/comments of the newly published article and general endorsement.

Before an article is published in ARCTIS it will be peer-reviewed by the particular theme editor and his/hers group of experts. This review process is not meant to be an in-depth review or take up all of time as is the case for peer-review research articles for scientific journals, but more to check that the article's facts and figures are correct and that the article is written in good English, presenting relevant information in a clear and understandable manner for our ARCTIS users. After this peer-review process the article is ready for publication, and this is done by the theme editor in charge. This review process should not take up more than a week or two weeks.

Once article is published it can be viewed and commented on by ARCTIS users. This public endorsement is done by "not having significant objections" to the published article. The theme/topic group members must evaluate if reported comments represent valid objections or criticism. If such objections arise, the article is either revised or removed. The public endorsement evaluation is much longer than the initial review process (can be up to one year).

Over time the content of an article may no longer be relevant and/or present information which is out-of-date and needs to be revised. Then the article is removed from ARCTIS, and the theme editor in charge determines if the articles should be revised and re-submitted, or archived. Articles undergoing re-writing will get the label "under revision". The old version will continue to be publicly available until a new updated version replaces the old one.

3. Main Target Groups of ARCTIS

Business Enterprises

ARCTIS should appeal to businesses, government and the research community alike. The shipping/transport companies are the primary target group along with all those businesses and organizations that serve the transport industry. Additional target group are oil and gas

companies and mineral mining companies involved in the exploitation of hydrocarbon and mineral resources in the High North.

Mining and oil companies are enterprises that venture into new frontiers for resources that the world demands. Resource exploration and production in the Arctic will require marine sea-based support and new logistics solutions. Tools and equipment must be brought into the area and ports and passages need to be kept open. Container traffic, specialized supply vessels, and service ships such as icebreakers will be in demand. In addition, increased focus on the Arctic has attracted interest from the general public. This has opened a new and significant market for cruise ship owners.

Quality information and intelligence that can be captured early could make a big difference. This could be related to securing available transportation capacity, ensuring port access, obtaining privileges and negotiating lower prices. The requirement here is that an enterprise has adapted an approach that allows new relevant knowledge and information about current and future opportunities in the Arctic to be integrated into the company's operational strategy and subsequently become a focus of R&D.

It also requires that those working on R&D are well informed about Arctic issues and able to highlight facts, issues, opportunities and threats in a clear and precise manner. This is where ARCTIS will play a major role in assisting companies with relevant information and data.

ARCTIS will for example highlight data regarding current and potential Arctic resources, provide scenarios regarding future flow of raw materials and goods, future infrastructure needs and transport capacities, sailing conditions, services of ports and terminals, but also pertinent constraints and risks. More insight on the regulatory framework, permits, tariffs, insurance, and icebreaker assistance is also stressed among those who are contemplating operations in Russian coastal waters along the NEP/NSR. The same information can also help banks and insurance agencies to estimate risks and assess future opportunities along with their clients.

Governments and Public Authorities

ARCTIS will provide national and local governments with the best available information on resources, transport and logistics in the Arctic. Subsequently, ARCTIS could be a key source of new insights that could help in revitalizing regional politics, increase governance and transparency in the High North, and help law makers balance different concerns.

The information provided by ARCTIS can for example help authorities better understand the various technical challenges that the transport, hydrocarbon, and mineral mining industries are faced with in the Arctic environment, as well as the need for environmental protection. It can further aid national funding agencies in getting a better overview on Arctic matters, gauge the state-of-the-art and pinpoint what research topics should be emphasized in the years to come to fill critical knowledge gaps.

ARCTIS has a purpose to fulfill with respect to: ministries; law and policy makers; law enforcement (i.e. police, customs, and coast guard); military; regulators; diplomacy; government agencies; research funding authorities (i.e. NFR, EU Commission, IN); and regional and municipal authorities.

ARCTIS will provide relevant information on Arctic resources, transport and logistics from all eight Arctic States - Russia, Norway, Sweden, Finland, Denmark/Greenland, Iceland, Canada and United States - highlighting all possible Arctic sea routes and connecting transport corridors.

Additionally, information coming from countries outside the Arctic area regarding such issues as market trends, technical developments in the maritime sector (shipbuilding) and other relevant matters will also be displayed in the ARCTIS database (e.g. from EU, China, Korea, Japan).

Research Institutes and Universities

This target group is likely to have a dual role when it comes to ARCTIS. The major content contributors to ARCTIS will likely come from research institutions and universities. However, members of this group are also likely to be consumers of the information provided by ARCTIS. Students are likely to become prime users of the knowledge and information, while researchers will both write ARCTIS articles and use the database in their teaching and research.

ARCTIS will cooperate with research institutions and universities in many countries with experience in Arctic transport and infrastructure, including Russia, Canada, and United States (Alaska), to provide the needed material for building up the ARCTIS's database. ARCTIS will also cooperate closely with Norwegian research institutions involved in the Global Maritime Knowledge Hub (GMKH) and the corresponding professors supported by this Norwegian initiative.