Geopolitical Dimensions of Transport and Logistics Development in the Barents Euro-Arctic Transport Area (BEATA)¹

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² The report has been prepared within the framework of the international research project “Geopolitics in the High North”, led by the Norwegian Institute of Defense Studies. See: http://www.geopoliticsnorth.org/
Long historical experience, including that of Russia’s, proves that there is a close correlation between the geopolitical objectives of state and establishment of a reliable network of transport communications. Moreover, the creation and development of transport infrastructure in a region presumes a state’s willingness to embark on solutions to new geopolitical tasks.

The Tsarist government, concerned in the 19th century by the necessity to defend and to ensure geopolitical interests of Russia in its High Northwest, undertook measures, aimed at populating the region and developing its economic potential. These efforts were combined with measures to strengthen the area’s transport communications with central regions of the country and within the region itself as well.

The Russian Empire promoted, by all possible means, the creation of an extensive network of railroads in the then Grand Duchy of Finland. This strengthened not only Russian economic interaction with Finland, but also the Russian geopolitical positions in Finland itself and in the European North in general. Striving to protect its interests in the High North, Russia opened a steamship line between Arkhangelsk and the Murman Coast in 1871, and between Arkhangelsk and the Novaya Zemlya archipelago in 1880.

In the beginning of the 1880s Russia started to patrol its waters in the High North during the fishing season and to ponder over building of a permanent navy base on the Murman Coast. This resulted in construction of the Murmansk railroad and the naval port on the coast of the Kola Bay. Later on, the harbour became the home port of the Russian Arctic Ocean Flotilla and the core for the large industrial centre, which acquired the key strategic significance not only for the country, but also for the whole region.

At the initial stage Russian geopolitical interests in the region were linked with establishment of a naval base there, to develop the region’s economy and communications with the rest of the country, and to increase its population. In the following decades this development advanced further, making possible to emerge large human settlements, harbours, airports, network of transport communications, centres of science, industry, mining, energy, fishing and shipping. Basing the Russian Northern Fleet and other civilian and military facilities in the region, as well as the overall integration of remote areas of the High North in the Russian economic system helped the state increase its broader geopolitical tasks linked with this region.
The overcoming of the Cold War and the dissolution of the Soviet Union gave birth to qualitative changes of the whole situation in the European High North. Nordic countries began to reappraise the international situation in the areas adjoining their borders and to define their new geopolitical tasks. Under the new circumstances development of mutually beneficial cooperation with the neighbouring states along their borders began to be considered by Nordic states as one of the key directions of their coordinated foreign policy efforts.

They attributed special importance to an interaction with the North-Western regions of new Russia in efforts to ensure stability, prosperity and the peaceful development of their countries and the European northern periphery in general. In this new situation, Russia and its cooperation partners in the North gained the opportunity to solve their economic and geopolitical tasks not in the atmosphere of military confrontation, mutual suspicion, and distrust, but on the basis of concurring elements in their national interests. Quite soon these novel opportunities found their definite institutional forms. Apart from “Nordic cooperation” institutions and bodies the Council of the Baltic Sea States, the Barents Euro-Arctic Council, and the Arctic Council were launched in the regions along the whole length of Nordic countries’ borders. This network of subregional organisations of cooperation has been crowned by the Northern Dimension programme.

As Kirkenes Declaration states, the main purpose of the Barents Euro-Arctic Council is to promote peaceful development of the northern periphery of Europe by promoting and maintaining a sustainable economic and social development of the Barents/Euro-Arctic region. The means towards fulfilling this geopolitical vision were founded on the development of bilateral and multilateral interaction of member states in different fields, including infrastructure.

The Barents Regional Council was established along with the Barents Euro-Arctic Council. It consists of the heads of northern provinces of Norway, Finland, Sweden and Russia and includes representatives of three indigenous peoples of the Barents region, namely Sami, Nenets and Vepsians. The overarching geopolitical purpose of the Barents Regional Council, like that one of the BEAC, is to ensure peaceful and stable development in the region.
The BEAC presents itself as an *international forum of cooperation*. Decisions in the organization are taken by Ministers of Foreign Affairs of member states on the basis of *consensus*. Practical implementation of this principle helps to concentrate the voluntary cooperation of the permanent members of the BEAC on problems, reflecting their common, concurring interests. Such cooperation puts a firm foundation in place for development and deepening of integration ties between them and helps to create and to maintain a favourable political climate among them. Further development of transport communications in the region is able to fulfil the function of blood vessels, feeding these political and integration processes with oxygen.

At the meeting in Copenhagen in 1998 the member states of the BEAC signed the “Memorandum of Mutual Understanding on the Development of the Barents Euro-Arctic Transport Area (BEATA)” . The member states adopted also a programme of actions. It includes the priority projects in different fields of transport communications as well as modernization of the roads and border crossing points in the Barents Region. Its practical implementation is being coordinated by the BEAC Steering Committee on the BEATA.
1. Transport infrastructure of international significance in the BEATA

The main purpose of the BEATA is to create an integrated transport system in the region. This cannot be successfully accomplished without development of trans-border cooperation. Within the framework of this cooperation border crossing points for citizens, commodities, and transport are being equipped. Visa regimes are becoming easier, and the infrastructure of borderlands is being improved and modernised. Special economic zones may also emerge. An integrated transport system makes cooperation of border guards and custom services of the neighbouring states a real necessity.

Implementation of the BEATA project turns out to be closely linked with development of friendly and good-neighbourly relations between Russia and her partners in the BEAC. This is one of the most important geopolitical consequences of the activity within the framework of the BEATA. Such development is fully in accordance with the long-term interests of Russia. The Russian strategy of national security up to 2020 states that to strive for concord and common interests with other states on the basis of a system of bilateral and multilateral mutually beneficial
partner relations ensures achievement of the priority targets in the sustainable development of Russia.

Multilateral programmes of interaction in the BEATA region are supplemented by bilateral projects of cooperation. Both Norwegian and Russian regional authorities approved the decision to speed up development of trans-border infrastructure, including cross-border roads. The partners created a regional working group for elaborating an optimal solution of transport problems.

Intensive development of trans-border economic and cultural ties led to signing of the Russian-Norwegian agreements on development of motor road transport communications between two countries (June 2005), and on the simplification of visa provision regime and readmission (June 2007). With the launch of its High North Strategy in December 2006, the Norwegian government determined the High North to be the most important sphere over which to exert its efforts for many years to come. A key role in practical realization of the intention to transform Northern Norway into a highly developed and diversified economic region, says the strategy, rests with the Russian-Norwegian cooperation in the High North.

The Norwegian government had also proposed the idea of establishing a joint Russian-Norwegian economic zone (“Pomor Zone”) on the coast of Barents Sea, which was supported by the Russian government. Equipment of port facilities and development of transport communications and logistics within such a zone constitute an integral part of this project. The Centre for North European and Baltic Studies (CNEBS) of the Moscow State Institute of International Relations (MGIMO-University) and the Norwegian Barents Institute have decided to create an international research group to contribute to the realization of this proposal. We invite participants of this conference to join our efforts.

Since January 2007 the Vessel Traffic Centre in the Norwegian town of Vardø has been in operation, facilitating exchange of data between Norwegian and Russian maritime transport authorities. It is planned to support development of aerial communications between Norway and North Western regions of Russia. At present motorcar communications between two countries are being developed quite intensively. The Norwegian side proposed also to connect the Norwegian town of Kirkenes and Russian city of Nickel by a railroad extension-line. The Russian side is firmly committed to working out a common plan for development of the road network in the borderland territories. Norway
undertakes measures to incorporate Russian interests while elaborating its national plan of transport development in the period between 2010-2019.

The current plan of Russian-Finnish cooperation for 2008-2009 also stipulates further development of transport ties between two countries. This will include reconstruction of the automobile cross-border roads between Kandalaksha and Alakurtti and between Kola and Lotta as well as development of international bus communications between Finnish Lapland and Murmansk Region. The regional administrations of both these regions support the plans to construct two additional motor roads and one railroad across the Russian-Finnish border line.

It is quite important to consider the transport cooperation in the Barents Euro-Arctic Region not only in light of transport problems of this specific region, but also in a wider context, including the geopolitical one.

The geographical position and the size of the Russian Federation make it unavoidable and economically reasonable to use Russian territory and airspace as well as the Northeast Passage for laying transport communications from the Asian-Pacific region, China, and Central Asia to Europe and other world markets.

3. Northern Transport Axis

Not fully clear are the prospects of the further transit of cargo via territories of some Central, East European, and Baltic countries to European markets, hindering a complete realisation of the Russian
transit potential. The Russian Federation is rather often confronted with certain difficulties in this field. The problems of Russian natural gas transfer to European consumers via Ukrainian territory is the manifestation of the troubles involved.

Naturally, Russia is looking for the means to overcome these difficulties by developing its transport routes in those directions that make it possible and feasible. One of such alternative directions, determined by commercial and geopolitical circumstances, is the Russian High Northwest.

A major port complex for the loading and trans-shipping of cargo via the Baltic Sea to Kaliningrad, the Nordic countries and other European and world markets is presently being constructed near Saint Petersburg. Ice-free Russian harbours on the Kola Peninsula with their direct year-round access to the North Atlantic and world oceans, as well as the port complex of Arkhangelsk, are attracting special attention from this point of view. An active utilisation of their capacities as large national and international transport and logistics centres will enable Russia to have year-round direct access to European and global markets bypassing the transit territories of East European and Baltic states. In this context, realization of the BEATA programme accrues to Russia a certain geopolitical significance, going far beyond the limits of the Barents Euro-Arctic Region.

A new huge project “Urals industrial - Urals Polar” has been initiated in Russia. Its implementation will help to utilise very rich natural resources and varied mineral deposits of the Northern Urals not only for Russia, but also for the world economy.

In October 2004 the idea of constructing a railway from the Norwegian ice-free port of Narvik to the Russian city of Perm’ has been approved. This railway should cross territories of the northern provinces of Norway, Sweden, and Finland, as well as territories of Russian Republic of Karelia, Republic of Komi, Arkhangelsk Region, and the Perm’ Krai.

In this connection, it will be quite important to construct the “Belkomur” railway. When completed this will provide improved and much shorter transport junctions from the Northern Urals not only to the whole network of Russian railways, including the Trans-Siberian Railroad, but also, to the Northern transport corridor to Russian and Norwegian harbours in the High North. This will make a serious contribution to the practical realisation of the cross-continental transit
potential of Russia, having important commercial and geopolitical implications for the country and world economy as well.

It is well-known that Russia, in its Arctic strategy, advances the task to transform its Arctic possessions into a resource base for the development of the national economy and for solution to the country’s socio-economic problems. Apart from the project “Urals industrial – Urals Polar”, the Norilsk Industrial Complex, delivering its production to world markets mainly by sea, continues its long operation in the Russian Arctic zone. Ongoing extensive exploration and extraction of natural resources of the Yamal Peninsula is accompanied by creation of infrastructure for delivery of its natural gas to consumer markets. There are plans besides gas pipelines to construct a plant for liquefying natural gas (LNG) in this region. Its production will be delivered worldwide also mainly by sea.

Quite extensive efforts to master the resources of hydrocarbons of the nearby continental shelf of the Kara and the Barents Seas, including Shtokmanovskoye natural gas and condensate field, and creation of appropriate on-shore installations on the Barents Sea coast to serve their needs, have been ongoing for some time. The plans include construction of an LNG plant and an oil-refining industrial complex on the Kola Peninsula. The future exploitation of these resources, including the construction and operation of the extracting platforms and under-water pipelines, will lead to intensive development of maritime and coastal shipping in the Arctic seas, adjoining the Russian territory. We can be sure of the coming emergence and further development of new production sectors in this region. There is no doubt that the realization of the Russian plans and intentions in the High North will motivate fast development of land-based systems for management, supply and extended provision of service for new off-shore and maritime activity, also in cooperation with the neighbouring countries. The national security strategy of the Russian Federation up to 2020 points out the necessity to conclude formation of a basic transport, energy, military, information, and communication infrastructure in the Arctic zone of the country in order to satisfy national security needs of Russia in the middle-term perspective.

It is evident, that further economic development of the Russian Arctic will be followed by the increasing intensity of shipping through the Northeast Passage, not least of which is the transport of cargo from the Asia Pacific region to Europe and back. According to the Russian Arctic strategy up to the year 2020 and beyond, the utilisation of the Northeast Passage as a national unified transport route corresponds to
the Russian national interests. It is also stressed, that promotion of organisation and efficient exploitation of transit and cross-Polar air routes as well as utilisation of the Northeast Passage for international shipping within the framework of Russian jurisdiction and in accordance to its international treaties are among Russia’s strategic priorities.

The possible influence of climate change on the ice conditions of the Arctic seas may promote this development. The prospect of the Northeast and the Northwest Passages becoming year-round ice-free transportation lanes may result in the emergence of new major maritime routes in the Arctic, facilitating a considerable reduction of time and costs of commodity deliveries to consumers. It could also lead to the formation, first and foremost in the Russian and Norwegian zones of BEATA region, of large industrial clusters, centres of logistics, and port hubs. Modernization and development of the transport system infrastructure in the Arctic zone are among the strategic priorities of the Russian state policy in the Arctic.

Russia’s northern ports in the BEATA region are large industrial centers. Importantly, they also have significant human resources of educated and skilled labour force, impressive scientific potential, and a high-grade power supply systems making them some of the world’s prime candidates for becoming the largest centres of transport, logistics, and industry in the Arctic Integration of these ports with the main Russian railway, aerial, and road arteries and development of infrastructures for transport and logistics in the Russian High North and in the BEATA region promises not only important commercial, but also key geopolitical significance for Russia.

Russian participation in the BEATA project has a long-term character and meets its fundamental national interests.