

TESTING IMPROVEMENT PROCESSES OF FINNISH ENVIRONMENTAL IMPACT ASSESSMENTS AND THE MODES FOR APPLICATION IN ARCTIC REGIONS OF FINLAND AND RUSSIA

"First In - Arctic EIA"

Finland and Russia Arctic Environmental Impact Assessment

A COMPANY SPECIFIC CASE STUDY ON RUSSIAN ENVIRONMENTAL IMPACT ASSESSMENT (EIA)

Customer:

Arctia Shipping Ltd., Finland.

Requested Task:

To study and describe the requirements of the Russian legislation on EIA for Arctia Shipping Ltd. based on the company's existing and planned business activity.

Case Specific Source data:

Arctia Shipping Ltd. is the Finnish Company that:

- provides Icebreaking services such as infrastructure services, oil spill response, time charter, icebreaking;
- provides offshore services such as: underwater construction, support services, "ice management", ploughing, lifting, towing;
- almost always work as subcontractor to whoever is the primary contractor;
- operates in the Northern Sea Route including Kara Strait (or Kara Gates) and the waters surrounding Novaya Zemlya to ensure safe operations in the offshore oil- and gas fields;
- has planned to provide services as a subcontractor for Russia such as:
- a) Offshore Support Activities. These include tasks where the vessel is used as a platform for conducting subsea operations (construction, service, dive support, ROV support etc.). These activities are mainly performed in the role of subcontractor for others (Oil exploration or wind farm construction etc.)
- b) Ice Management. This is performed to protect drill rigs or other infrastructure from the effect of ice flows or icebergs. In the case of Russia, it would mean moving Arctic ice. Again, we are talking about subcontracting.
 - c) Icebreaking. This usually means vessel assistance in terms of escort icebreaking.

FINDINGS

1. According to the Federal law on Environmental Protection No.7-FZ of January 10, 2002 (Article 32) the Environmental Impact Assessment (EIA) is mandatory for planned economic and other activities that can have direct or indirect impact on the environment.

The concrete stages of the Russian EIA process as well as the requirements to the EIA materials is stated out in the Regulation on the Assessment of Environmental Impact approved by Order of the State Ecology



Committee of the Russian Federation No.372 of May 16, 2000 (hereinafter – Regulation on EIA) and on the web-page of the Information Service on Russian EIA (IS-Russia) www.arcticcentre.org/RussianEIA.

The EIA regulation legalizes the EIA process for the projects that are the subject to the State ecological expertize (hereinafter – SEE) <u>only</u>. The list of the SEE objects stipulated by the Federal law No.174-FZ of November 23, 1995 on Ecological Expertise are as follows:

- project documentation of technical specifications for new equipment, technology, the use of which may have environmental impact;
- materials of comprehensive ecological investigation of areas/territories for giving these territories legal status of the protected natural areas of Federal or Regional significance;
- materials of licenses justification for performing certain types of activities, which have a negative impact on the environment and licensing of which is carried out in accordance with the Federal law "On licensing certain types of activities" of August 08, 2001 No. 128-FZ;
- projects planned to be realized on the continental shelf, in the exclusive economic zone, territorial sea and contiguous zone of the Russian Federation as well as on the protected natural areas of the federal, regional or local significance;
- projects connected with location and neutralization of dangerous waste.
- 2. According to the list of the objects, as stated above, that require the EIA, the services provided by the Arctia Shipping Ltd. on the continental shelf, in the exclusive economic zone, territorial sea and contiguous zone of the Russian Federation can be considered as a subject to the EIA.

The image 1 below shows the Northern Sea Route where Arctia Shipping's planned activities would take place.

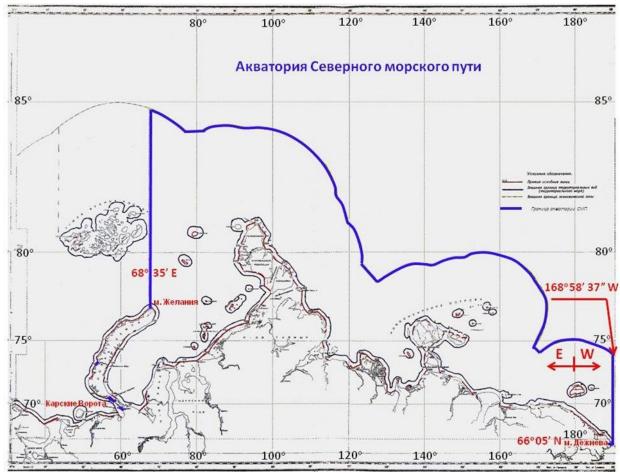


Image 1. Water area of the Northern See Route. Source: http://www.nsra.ru/ru/granici_smp/

- 3. The following legal acts on Russian EIA should be taken into account for the projects planned to be realized on the continental shelf, in the exclusive economic zone, territorial sea and contiguous zone of the Russian Federation. These legal acts specify the activities on the continental shelf, in the exclusive economic zone, territorial sea and contiguous zone of the Russian Federation that require the EIA as fellows:
- a) The Federal Law "On Inland Sea Waters, Territorial Sea and Contiguous Zone of the Russian Federation", July 31, 1998 No.155-FZ EIA. According to the Article 34 the EIA should be done for the following activity in the Inland Sea Waters and Territorial Sea of the RF:
 - regional geological investigations,
 - exploration and extraction of mineral resources of the Inland Sea Waters and Territorial sea,
 - fishery,
 - creation, exploitation and the use of artificial islands, installations, constructions,
 - laying of underwater cables and/or pipelines,
 - drilling operations,
 - the disposal of waste and other materials in the internal sea waters and in the territorial sea.
- b) The Federal Law "On the Russian Continental Shelf", November 30, 1995 No.187-FZ. According to this document the EIA is mandatory for the planned economic and other activity on the continental shelf of the RF, which includes:
 - materials of geological surveys,
 - exploration and extraction of mineral resources on the continental shelf,



- fishery,
- creation, exploitation, and the use of artificial islands, installations, constructions,
- laying of underwater cables and/or pipelines,
- drilling operations,
- the disposal of waste and other materials on the continental shelf,
- the plan of prevention and liquidation of oil spill.
- c) The Federal law "On the Exclusive economic Zone of the Russian Federation", December 17, 1998 No.191-FZ. According to this legal act the EIA should be done for the projects that are planned to be realized on the exclusive economic zone of the RF and connected with:
 - exploration and extract ion of natural resources,
 - creation, exploitation, and the use of artificial islands,
 - laying of underwater cables and/or pipelines,
 - drilling operations,
 - the disposal of waste and other materials in the exclusive economic zone.

The EIA materials should be submitted for the State ecological expertize. The State ecological expertize is overseen by the federal bodies.

d) The Town-Planning Code of the Russian Federation, December 29, 2004 No.190-FZ for the projects connected with construction (including underwater construction) and reconstruction. The EIA is conducted on the base of the engineering-ecological surveys (Article 47 of the Town-Planning Code of the RF). The specific requirements for the engineering-ecological surveys are described in the Formulary No.47.13330.2012 "Engineering investigations for construction" issued by the Ministry of regional development of the Russian Federation in 2012. The results of the engineering environmental investigations are used for the preparation of the EIA report and the "Environmental protection measures" section in the project documentation and it should be done according to the requirements of the Governmental Decree No.87 of February 16, 2008 "On composing the design documentation sections and on requirements to their content".

Based on above-listed specification and Arctia Shipping Ltd. main activities, the EIA is mandatory for the projects that are planned to be realized on the continental shelf, in the exclusive economic zone, territorial sea and contiguous zone of the Russian Federation and connected with underwater construction, spill oil response (for the plan of prevention and liquidation of oil spill), and/or dredging.

4. Specification: According to the source data, Arctia Shipping Ltd. almost always provides services as a subcontractor to a primary contractor. In most cases and in typical practice, this means that there is the primary contractor who is responsible for doing and completing the EIA process before the implementation of proposed project. In any case, the concrete responsibilities for the parties, whether primary and/or subcontractor are set out in the contract between the primary and subcontractor!

CONCLUSION

As a <u>subcontructor</u> the Arctia Shipping Ltd. <u>does not need</u> to do the EIA. In cases where Arctia Shipping Ltd. is planning to operate on the continental shelf, in the exclusive economic zone, territorial sea, and/or



contiguous zone of the Russian Federation as a <u>main contructor</u> the decision on doing the EIA should be made in accordance to the requirements of the main legal acts listed above.

FOR MORE INFORMATION CONTACT:

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REFERENCES

Literature cited:

- Federal Law "On Ecological Expertise", November 23, 1995 No.174-FZ;
- The Regulation on the Assessment of Environmental Impact approved by Order of the State Ecology Committee of the Russian Federation of May 16, 2000 No.372 insofar as it does not conflict with the current legislation of the Russian Federation;
- The Town-Planning Code of the Russian Federation, December 29, 2004 No.190-FZ;
- Federal Law "On the Russian Continental Shelf", November 30, 1995 No.187-FZ;
- Federal Law "On the Exclusive economic Zone of the Russian Federation", December 17, 1998
 No.191-FZ;
- Federal Law "On Inland Sea Waters, Territorial Sea and Contiguous Zone of the Russian Federation", July 31, 1998 No.155-FZ;
- Federal Law "On Licensing Certain Types of Activity", August 08, 2001 No.128-FZ;
- The Formulary "Engineering investigations for construction" issued by the Ministry of regional development of the Russian Federation in 2012 No.47.13330.2012;
- Statute on sections of project documentation and their content requirements approved by the RF Government Decree of February 16, 2008 No.87.

Internet-resources:

Federal State Unitary Enterprise "Rosmorport": http://eng.rosmorport.ru/

Administration of the Northern Sea Route: www.nsra.ru/ru/granici_smp/