

A-Studio, Finnish Yle 1, on the 7.8.2017 at 21.00 see link <http://areena.yle.fi/1-4124479?autoplay=true>

Starts at 11 min 30 secs

Topic: What would be the benefit for Finland of the Arctic Railroad?

Answering: Mrs. Anne Berner, the Minister of Transport and Communications, Finland

Mr. Tuomas Kiiski, researcher of shipping, PhD, Turku University Business School

Reporter opened with comment stating that Norway has asked Finland to join in a survey to evaluate a railroad connection to Arctic Sea. The Finnish Transport Agency has promised to join.

Introduction

The project has been spurred by the idea of connecting Far East Asia with Europe via Northern Sea Route.

Kenneth Stålsett, development manager, Kirkenes opens.

Maung San Lwin, director of the Kirkenes port continues.

Gunnar Rheinholdtsen, Friends of the Earth in Finnmark, brings up their concerns.

The next insert is made in Sevettijärvi. The interviewee Mrs. Kaarina Parpala, a Sapmi, tourism entrepreneur, states that "We need the railroad. It brings employment during build up and tourists, when it is ready".

Petri Hänninen a reindeer herder from Finnish Inari says the railroad to be a completely crazy idea, at least from the point of view of reindeers.

The assumption is in the best case scenario, that the first train could be in traffic in 2035. Timo Lohi, Manager of the Northern Lapland Regional Cooperation, finishes off the introduction by stating "We do not yet know what (good things) the project will bring with it".

At 17 min 48 secs

Anne Berner and Tuomas Kiiski are introduced. Anne Berner is stated by the reporter to have asked for a feasibility survey to be made (on Arctic Railroad). It was mentioned by the reporter that there was a similar survey made in 2012.

The minister countered that the mentioned survey was made in 2012 to evaluate if we (Finland) needs alternative ports. The conclusion was that the present situation (by then) was satisfactory.

Now a few things have changed. First Norway has made the request and they have now the issue (of Arctic Railroad) on their Transport plan. The second item is the interest of EU and the EU Commission in the Arctic area due to its potential of Economic Growth, as well the opportunities to develop European Transport Core network in the future. The third item is the decision during this governments tenure to evaluate the tunnel project between Helsinki and Tallinn. The tunnel and the Arctic Railroad are kind of linked together. The fourth issue is to decide, how we want to develop our own infrastructure in Finland.

At 19 min 20 secs

Tuomas Kiiski, who made the dissertation at Turku University at beginng of 2017, of the profitability of the Arctic Railroad, was asked how realistic he sees the realization of the Arctic Railroad. He answered that he

considered the realism of having containers shipped from Asia and then reloaded (in Kirkenes) minimal, instead of being shipped directly to the ports of continental Europe.

When asked, the minister agreed that the railroad cannot be built for the import of goods coming from China.

The reporter asked what should then be transported on the railroad, the Minister answered, that this area (Northern Europe) is the 11th largest economy in the world, 5th largest economy in Europe, 25 per cent of the global gas and oil reserves are there, 70 per cent of the European forests are in the Barents area. Europe uses 20 per cent of all minerals produced in the world, but produces only 3-4 per cent of them within Europe, when Arctic Europe has 17 per cent of all mineral resources in the world. The first question is if we want to utilize this, the second question is if we want to be an island in Europe or if we want to develop our logistics network all the way to the Arctic Sea. The third question is our national service security. If the Baltic Sea is for some reason closed off, then the access to Arctic Sea and the ports there would remarkably heighten our service security.

Tuomas Kiiski was asked if he agreed to which he answered, that there might be better ports (from safety point of view) than Kirkenes going further west like to Narvik or Tromsø.

The reporter stated that in the previous survey the budget for Arctic Railroad was estimated to approximately 3 B€. What would be the price now?

Minister Berner said that the survey is made to have a price estimate, which could be somewhere 3,5-4,5 B€. The price is depending on which route is chosen. Tromsø route would be more expensive due to more difficult terrain. The reporter then continued by asking what is the effect of the route to the price. Minister Berner answered that the effect/difference is considerable for example between the Murmansk and Tromsø route, Kirkenes being in between (price wise). The Kirkenes option would have the advantage of having the same gauge as we have in Finland. The main question is if we can get this route being a part of future European Core Transport network thereby providing an opportunity for EU financing like Rail Baltic.

The reporter made the question about the possible Chinese financing possibility for the project.

Anne Berner replied that she had not personally been discussing this project with Chinese.

Tuomas Kiiski referred to the Chinese One Belt One Road, the New Silk Road, project and was asked about the possibility to acquire financing through this (Chinese investors). Tuomas Kiiski did not answer directly, but commented that the Arctic Dimension was just added to OBOR, which was originally just a conventional transport route through the continent.

The reporter made the question to Minister Berner, why is Finland interested in the Arctic Railroad?

Minister Berner answered that there are three or four main reasons:

1. To support the investments in North and support better utilisation of rawmaterials.
2. To support the tourism growth in the North with the unique opportunity of having a possibility to travel to the North from Europe through Rail Baltic, the Tallin tunnel and Arctic Railroad.
3. Service security evaluation and the possible building of a second route ensuring service security of Finland.
4. Defining our own logistics position.

These are very long term decisions and therefore I see it very valuable to survey these questions.

Tuomas Kiiski from his side saw the Helsinki-Tallinn tunnel as a touristic route and the Arctic Railroad as reserved for export of goods and bulk.

Minister Berner immediately intervened and stated that the Helsinki-Tallinn tunnel is from starting point a route for goods and bulk.

The reporter made the question of the impact on the sensitive nature and Tuomas Kiiski commented that of course it would have an adverse impact.

Minister Berner said that the County of Lapland, County land planning, the opinions of local people and Sapmi council would be taken into account and listened to.

The reporter concluded by saying that the coming decades will show, what happens.