



Kick-off meeting, Kajaani 20.6.–21.6.2011

PARTICIPANTS:

- **Eva Pongrácz**, University of Oulu, NorTech Oulu (chairperson)
- **Niko Hänninen**, NorTech Oulu
- **Galina Potapova**, City of Kostomuksha
- **Nikolai Bigun**, City of Kostomuksha
- **Igor Shevchuk** Institution of the Russian Academy of Science Karelian Research Centre of the RAS (KarRC)/ Non-profit org. Centre for Problems of the North, Arctic and Cross-border Cooperation
- **Denis Pyzhikov**, Karelian regional institute of management, economics and law of PetrSU
- **Alexey Smirnov**, Autonomous non-profit organization “Energy Efficiency Center”
- **Jouni Ponnikas**, University of Oulu, Kajaani University Consortium, Adult and Continuing Education AIKOPA
- **Timo Karjalainen**, University of Oulu, Cemis-Oulu (formerly of Lönnrot Institute)
- **Hannu Heikkinen**, Joint Authority of Kainuu Region
- **Timo Hokkanen**, Centre for Economic Development, Transport and the Environment for North Karelia
- **Victor Sakhnov**, City of Kostomuksha (20.6.2011)
- **Sergei Novgorodov**, City of Kostomuksha (20.6.2011)
- **Alexandre Mikhailenko**, City of Kostomuksha (20.6.2011)
- **Valeriy Alexandrov**, City of Kostomuksha (20.6.2011)
- **Eija Salmi**, Council of Oulu Region (21.6.2011)
- **Ioannis Chamilos**, NorTech Oulu
- **Jean-Nicolas Louis**, NorTech Oulu
- **Sari Piippo**, NorTech Oulu (secretary)

Short outline of the meeting

The kick off -meeting was started on Monday at 10.00 with discussions between NorTech Oulu and the representatives of the City of Kostomuksha. The main focus of these talks was the investment projects to be carried out in the project and the expectations of the City of Kostomuksha. After the lunch also the representatives from Kajaani University Consortium, Joint Authority of Kainuu Region and ELY Center of North Karelia joined the meeting. Then the WP's of the project were discussed in detail, including the upcoming seminars. The participants from Petrozavodsk joined the meeting around 14.30.

The meeting was continued on Tuesday morning, when also Eija Salmi from Oulu Regional Council joined. Presentations were given by the researchers of NorTech Oulu on pelletization and on eco-cities, after which administrative issues were discussed in more detail, such as reporting, project contracts and communication and publication plans.



Description of the discussions and decisions made during the meeting are summarized below.

General information

Lönnrot Institute, one of the project applicants, does not exist anymore. Due to the restructuring of the Kajaani University Center of the University of Oulu, the activities and the staff of Lönnrot Institute form now part of the Adult and Continuing Education (AIKOPA). AIKOPA consists of Kajaani University of Applied Sciences education services and the continuing education unit of the University of Oulu. The contact person is still Jouni Ponnikas.

Project description

The implementation plan of the project was introduced. There are five work packages and 21 activities in the project. The first WP is “Spatial planning of remote regions”. The role of NorTech Oulu is to define the meaning of eco-municipalities and the role of AIKOPA is to review the Finnish experience in the spatial planning of rural regions. Partners in Karelia are expected to assess the spatial development potential and utilities network and, after that, select the best practices in city planning using environmental technologies. The second WP is “Urban and rural resource management”. Partners in Karelia need to assess the resource potential in their area. NorTech Oulu and KarRC identify environmentally friendly technologies and AIKOPA and KarRC recommend natural resource management. The initiation of “Green Entrepreneur Challenge” competition is part of the WP2.

The third WP is “Roadmap for a sustainable spatial development”, which consist of the assessment reports, databases and backcasting. This involves human related issues as well, and experiences of AIKOPA have a very central role in this WP. The fourth WP is “Cross-border networking” in which defining roles, finding stakeholders, communication and seminars are the most important tasks. The fifth WP is about dissemination which consists of building of the databank and homepages, as well as producing teaching materials and organizing public seminars. All activities are interrelated so they need to be finished according to their deadlines (despite the delays in the project at the moment) in order to get the project proceed. During the first year, the most important tasks are to find out e.g. the infrastructure, possibilities and resources in Karelia and mapping of the earlier results and experiences in Finland.

Investments

The project itself is mostly a mapping and research project, not purely an investment project. The aim of the project is to find out how the by-products can be utilized and to generate suggestions how the remote areas can be developed. This can be done by founding some pilot ventures funded by the project and partners. The first investment should be done during the first year of the project, the second one during 2012 and the last one during 2013. According to the financier the investments can be changed but the amount of money will be the same. Partners themselves can invest more money if they are willing.

All the investments should be done according to the project plan. The information about the changes to the project plan and investments need to be send to the financier as soon as possible (in September 2011 at the latest). According to the project plan, 27000 euro granted to project, should be shared to three different small-scale pilot ventures. According to the preliminary plan, the first investment was to be an anaerobic digestion unit for the utilization of biowaste and to produce biogas. Second investment was planned to be sawdust pelletizing equipment which can produce pellets for sale and heating purposes. Third investment support would be offered to the winner of the competition “Green Entrepreneur Challenge”.

Kostomuksha is willing to invest 10 000 euro in the project as investments since they have had very good experiences in earlier projects. They prefer some investment projects, which will have a positive impact on the environment of Kostomuksha and can produce both material benefit and be a utilized in future projects. An anaerobic digester unit and sawdust pelletizing equipment were preliminary planned as investment projects of the project, but these might not be suitable for the City of Kostomuksha. The equipment are not very useful, if there is no functional infrastructure to support their use, or if they are not linked to any other investments or infrastructure in Kostomuksha. Besides, there is already a pelletizing project going on in the area. Kostomuksha is especially interested in investments aiming at the energy efficiency of buildings owned by the municipality. The first investment could be the improving of energy efficiency of one public kindergarten by reducing heat losses, which was proposed by the representatives of the City of Kostomuksha. This proposal is in accordance with the project plan, it is owned by and the results of the investment are easily observed. It was decided that this could be the first investment, but the second investment was not decided yet. This could be related to waste management so that the results of the pilot project could be utilized elsewhere as well.

The third investment is a competition to be carried out in the Republic of Karelia, but proposals from the areas mentioned in the project plan are going to be favoured. KRIMEL accepted the leadership of organising this competition and will take care of the practical arrangements related to it. The competition needs to be launched soon as there is the aim is the evaluation process of the proposals will take considerable amount of time. The aim is that the winning proposal of the competition would be set up and running as soon as possible, so that enough information would be gathered about the suitability of this technology for this region. Information about this competition should be disseminated widely in the media (in the local newspapers, Internet, etc.), in order to gather many promising proposals. The target area and goal of the competition needs to be considered thoroughly beforehand. Private persons and municipalities can participate in the challenge and the winner is selected by the project members. Only if the proposals are good enough, this investment will take place.

Project contract and financial matters

The project contract will be translated into Russian and it needs to be signed as soon as possible. When the contract has been signed, partners will receive 50% of the money budgeted for the first year, and after the six month period report they will receive the remaining 50 %. All the partners are obligated to open an account/cost pool for this project. Certified auditor will check the accounts and write a report about the usage of money for the project. The auditor will check if the implementation is in accordance with the project plan as it is supposed to be. There is money reserved in the budget of the project for the auditing.

In order to receive funding from the project, partners need to report the usage of project money twice a year to the main partner NorTech Oulu who will collect them and send them to the financier. The reports need to be returned according to timetable. After six month period all the partners need to send NorTech Oulu a short report including e.g. information about changes in the plans and amount of money (in percentage value) used so far. After 12 month period the reports are more detailed and they include payment application and auditing report. If someone gets salary from the project, the wage level needs to be in accordance with the organization's wage level they are working in. Associates will not open their own accounts for the project but their travel expense will be paid by NorTech Oulu.

Project group and communication and publication plan

A project group for the project needs to be established and a communication and publication plan has to be launched. Moreover, the roles of every partner and changes in plans will be defined. The project group was established during the meeting. All the partners will be part of the project group, and also Centre for economic development, transport and the environment for North Karelia as an associate. Communication plan needs to be submitted within six months after the project has started, so that it can be submitted with the first half-year report.

There will be virtual meetings via internet (first one in August 2011) and small core groups will be established for information transfer. The data bank will be hosted by NorTech Oulu. All the scientific publications are open for public. There will be press releases and public seminars also for the public in general. NorTech Oulu will take care of the Finnish homepages and KarRC will build the Russian homepages of the project. Web pages are linked to each other but they don't need to be identical. Universities will gather data and cities are the main beneficiaries. KRIMEL will produce teaching material and AIKOPA and KRIMEL may utilize the results of the project e.g. in their teachings. Teaching materials will be produced so that not only the results but everything relevant to support entrepreneurs and promoting green technologies are released. In addition, a project booklet about the project in three languages will be published.

Thematic seminars

There is going to be three thematic seminars. The languages of the seminars are Russian and Finnish. The seminars need to be planned early enough. The first thematic seminar is in Joensuu in March 2012, the second is in Oulu in the spring 2013 and the third one in Kostomuksha in the autumn 2013. In addition there will be the final seminar in Petrozavodsk when the project is ending. According to the preliminary plan the topic of the thematic seminar will be about “Cityscape” in Joensuu and “Pedestrian and bicycle ways” in Oulu. The topic of the third seminar in Kostomuksha may be related to cultural environment or to waste management. In addition, the possibilities of co-operation (e.g. seminars, the results of the project) with other projects will be studied.