

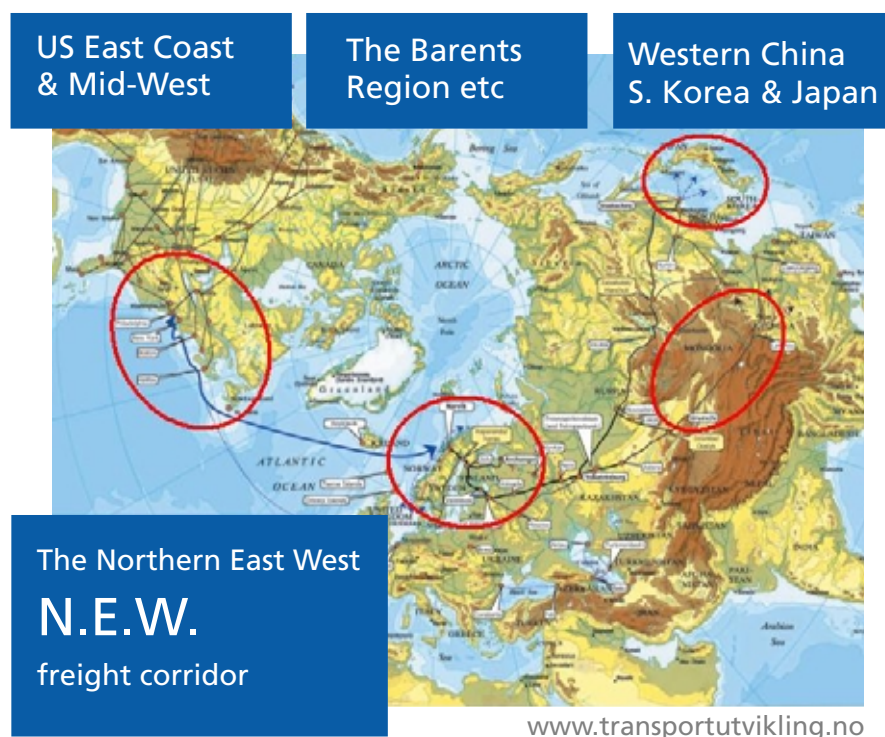
Public consultation on Transport axes in a time horizon of 2020

Dear Mr Jaques Barrot

Vice President DG Transport and Energy

The enlargement has given the European Union new possibilities and new challenges.

Studies forecasts rapid growth in trade and freight transport with good transport connections both between the EU and the neighbouring countries, a sustainable development will be secured. In the white book – Time to decide – the European transport policy now says that "Congestion is now beginning to threaten economic competitiveness" and that "there is a serious risk that Europe will loose economic competitiveness"



Barents link, a part of N.E.W.

The Barentslink corridor is a part of the global intermodal transport corridor N.E.W. (The Northern East West Freight Corridor). The corridor utilizes rail connections between Europe and Asia through the northern parts of Europe, Barents region. The corridor uses existing railway and a few bottlenecks and missing links must be approved to secure the seamless and smooth exchange in transport between the Union, its neighbours and third countries. The development of this corridor provides possibilities for the more central parts of Europe where there are problems with congestion and safety and security. The global transit freight cargo is growing and Chinas trade with the USA is growing fast. Interests from business and investors as well as politicians from USA has made it even more interesting to invest in this infrastructure as an alternative and supplement to existing global corridors.



Barents link is an east-west transport corridor through the Barents region northern Sweden, Finland, Norway and north-west Russia. A railway for heavy freight transport with connections to harbours is in focus.

There is an ongoing project in the Barents region STBR (Sustainable Transport in Barents Region) the result of the study will be published in the early autumn with traffic flow and forecasts the development of freight. The study will also point out more exactly the need for investments and costs.

This is an view over strategical issues and for the Barents link to be dealt with are:

- Upgrading Barents link for heavy freight railway transport, 25 tonne axle weight and electrification
- New or upgraded combi-,container- and timber terminal in the Vartius-/Kivijärvi area, border Finland/Russia
- New or upgraded terminal along the corridor
- Simplifying customs- and visa procedures for freight transport
- Opening the new railway Ledmozero – Kochkoma, Russia to regular traffic
- Simplify the use of international rail-wagons in the Barents region
- Carry through the missing links Belkomur Arkhangelsk – Komi, Russia and Norrbotnia railway Umeå – Haparanda, Sweden

European interest in Barents link

Global cargo growth require new and alternatives transportation solutions to be developed.

To stimulate growth and regional development in the northern outlying/peripheral European areas, it is of European interest to invest in an alternative corridor.

The Barents link corridor will provide faster- and cheaper access to the new fast growing markets with the positive trickle down effect it will have on the regional economies in the outlying/peripheral areas.

European added value is that the corridor enables positive transport shift-effect, from congested Central European- to less congested outlying/peripheral European areas. The transport time reduces because of the lack of congestion. The area can provide the whole of Europe with a test ground related to management system and full scale test of equipments and vehicles. Today the car industry has established a test ground in northern Sweden and Finland.

The northernmost industrial concentration in the EU lies around the coast of the Gulf of Bothnia in northern Sweden and Finland. The region is a major producer of raw materials and semi-manufactured products for European industry. In order for the European Union to develop in the spirit of the Lisbon Summit, it is crucial that there should be cost-effective and environmentally sound transportation from the industries and suppliers of raw materials in the far north of the European Union to their export markets in continental Europe.

Barents region a part of Europe

The Barents region is expansive and rich in natural resources and is one of Europe's regions of the future. It is important to ensure that TEN-T axes also cover northern Sweden and Finland. Northern Europe has long transport routes, and in many cases, no alternative transport modes and routes, which makes industry here more vulnerable to disruption as regards transport than industry in continental Europe. To enable favourable development in the whole Union, it is important to link the Barents region with the rest of the EU.

Norway and north-west Russia are producers of energy and raw materials that are needed throughout the EU. It is important to the internal market that the entire Union has its main goods routes in the transport axes.

Facts

The Barents region encompasses a vast area of 1.8 million km². The population, nearly 6 million, is dispersed over this large expanse living mostly in urban centres. Distances between the clusters of population are very long (500 to 800 km).

The Barents region is known for its natural resources. The area has:

- the largest untapped oil and gas reserves in Europe
- the largest and the most diversified mining area for metals and minerals in Europe
- the largest forestry resources in Europe
- large-scale fresh fish production for the European markets
- considerable hydropower resources

In addition, northern Finland, Norway, Sweden and north-west Russia are known for their natural beauty constituting the last and largest wilderness areas in Europe.

To secure benefits for many important industries in EU, e.g. ore and forest based industries, it is important to invest in intermodal infrastructure in the north of the European Union. 80 per cent of ore and metal-based production, and 65 per cent of pulp and paper based production in Europe takes place in the Barents region. 25 per cent of the world's gas findings are located in the Barents region.

We see an urgent need include the Barents link corridor among the European axes. Well-developed infrastructure in the north can bring new trade and development to all of Europe and also help alleviate congestion in continental Europe. Investments in infrastructure has been recognised as a key area to meet the objectives in the Lisbon agenda.

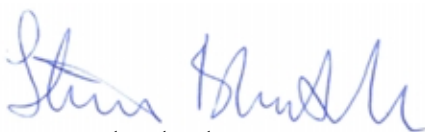
Respectfully



Lorentz Andersson
County Governor, Västerbotten



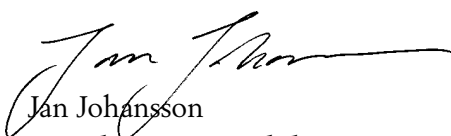
Per-Ola Eriksson
County Governor, Norrbotten



Stina Blombäck
President, Billerud Karlsborg



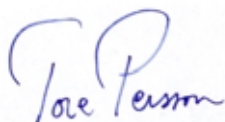
Martin Ivert
President, LKAB



Jan Johansson
President, New Boliden



Kenneth Eriksson
President, SCA Forest Products



Tore Persson
President, Kappa Kraftliner

Here follows a short description of some of the companies in northern Sweden and Finland who are supporting the suggestion to add Barents link corridor as a European axes to a global link.

LKAB

LKAB is an international, high-tech ore processing company the only iron ore exporter within the European Union, and are therefore often referred to as "Europe's home mine". Most of the export shipments, 80 per cent, go to European steel mills.

LKAB have two underground iron ore mines; in Kiruna and Malmberget. Crude ore from the mines is upgraded to fines, pellets and special products in the processing plants in Kiruna, Svappavaara and Malmberget. The products are transported by rail to the two shipping harbors in Luleå and Narvik. From there, they are delivered to customers around the world.

Boliden

New Boliden is an international mining and smelting company which mines, smelts and refines zinc and copper. By-products include lead, gold and silver, among others. New Boliden operates in five countries – Sweden, Finland, Norway, Ireland and the Netherlands.

New Boliden is one of the world's leading smelting companies in both copper and zinc – the third largest in Europe in both metals - and it is the world's six largest in zinc mining.

The company share is listed on the O-list of the Stockholm Stock Exchange in Sweden and on the Toronto Stock Exchange in Canada.

Billerud

Billerud is a packaging paper company. The company's business concept is to supply customers with innovative and high quality packaging paper.

Billerud focuses on craft paper and containerboard and has a world-leading

position within several product segments. Examples of interesting and demanding product areas include packaging for medicines, flexible packaging for the food industry, and paper for containerboard used to transport demanding products such as white goods, domestic appliances and fruit and vegetables.

Billerud's production takes place at the Group's three integrated pulp and paper mills in Sweden – Gruvön, Karlsborg and Skärblacka – and at the UK paper mill, Beetham. These production sites are among the most cost effective in Europe for these products.

Kappa Packaging

A leading European paper, board and packaging company.

Kappa Packaging is one of Europe's largest innovative companies operating in the production, development and sale of containerboard, solid board, corrugated and solid board packagings, graphic- and speciality board.

SCA

SCA is an international paper company that produces and sells absorbent hygiene products, packaging solutions and publication papers. Based on customer needs, new products are developed for consumers, institutions, industry and the retail trade.

The Forest Products business area is responsible for the SCA Group's forest management, wood procurement and transport organization as well as the manufacturing and marketing of LWC and SC paper, newsprint, pulp, solid-wood products and forest-based biofuel.