



PUHDAS ITÄMERI JOHN NURMISEN SÄÄTIÖ

Fund Report

2/2012 (27 September 2012)

Status as of 31 July 2012	€
Donations	7.8 MEUR
Expenditure	5.5 MEUR
Commitments	2.3 MEUR

Objectives of the Clean Baltic Sea projects

The Clean Baltic Sea projects focus on two areas of operation: projects preventing the eutrophication of the Baltic Sea, and the project promoting the safety of oil tanker traffic in the Gulf of Finland. The Clean Sea projects are led by Marjukka Porvari, and the Tanker Safety project by Pekka Laaksonen. All in all, the projects and their support activities employ eight people, one of them part-time.

The objective of the Clean Sea projects is to reduce the annual phosphorus load discharged to the Baltic Sea by a total of 2,500 tonnes by 2015. Clean Sea projects are currently underway in five countries and 16 cities. The efficiency of phosphorus removal in wastewater treatment plants is improved at project targets so that wastewater leaving the treatment plants will have a maximum phosphorus content of 0.5 mg per litre.

The Tanker Safety project aims at reducing the risk of major oil tanker accidents in the Gulf of Finland through the introduction of the ENSI navigation service. The service will improve communications between vessels and vessel traffic service, enabling proactive vessel traffic management. Tankers, on the other hand, will be able to obtain navigation information through the ENSI portal. The target is to have the service deployed by the majority of tankers sailing the Gulf of Finland by the end of 2013. The Finnish Transport Agency is the project's main partner.

Clean Sea projects

In 2011, the technical plans and tendering documentation of the phosphorus removal projects to be conducted at the water utilities of Gatchina and Vyborg in Northeastern Russia were completed. The target is to finalise equipment procurement as well as installation and construction during 2013. The Foundation is responsible for equipment costs, and the water utilities for the costs of installation and construction. With the implementation of these projects, the annual phosphorus load entering the Gulf of Finland from Gatchina is reduced by 40 tonnes, and that from Vyborg by 20 tonnes.

EU's Baltic Sea Region Programme finances the PURE and PRESTO projects, through which the Foundation carries out investments that improve the efficiency of nutrient removal.

The PURE project (Project on Urban Reduction of Eutrophication) improves the efficiency of phosphorus removal in Belarus, Poland, Latvia and Estonia. The project will result in a total reduction of 300–500 tonnes of phosphorus. Equipment that improves the efficiency of phosphorus removal and sludge management has been procured for the wastewater treatment plants in Riga and Jurmala, and its installation is nearly complete. In 2012, the efficiency of phosphorus removal in Riga is also boosted with direct support from the John Nurminen Foundation. Construction and equipment procurement in the city of Brest in Belarus will be implemented in 2012, with installation works completed in 2013.

The PRESTO project (Project on Reduction of Eutrophication of the Sea Today) invests in improving the efficiency of nutrient removal in the four Belarusian cities of Grodno, Vitebsk, Molodechno and Baranovichi. Preliminary evaluations indicate that the project will reduce the phosphorus load entering the waterways from these wastewater treatment plants by approximately 500 tonnes. Initial technical investment plans were completed in the summer of 2012, and negotiations with the water utilities, based on these plans, continue in the autumn of 2012. Once detailed plans have been finalised, wastewater treatment plant equipment is procured and construction work completed during 2013. The project also includes an extensive wastewater nutrient removal training programme, which will be participated by Belarusian water utilities of the Baltic Sea catchment area, universities that train engineers, and various planning institutions. In May 2012, in cooperation with the St. Petersburg water utility, the project organised a training session in St. Petersburg.

The total budget of the PURE project is €3.2 million, of which one million euros will be accounted for by direct investment to nutrient removal at the wastewater treatment plants. The total budget of the PRESTO project is €4.55 million, of which investment to wastewater treatment plants accounts for €2 million. The EU Baltic Sea Region Programme is the main financier of the projects, bearing 75-90% of the project partners' project costs (depending on the country where the partner operates). Moreover, the Finnish Ministry of the Environment supports the Finnish partners of both projects with a sum that covers the majority of their own costs.

The Foundation has investigated nutrient loads that, in 2011, enter the Baltic Sea from animal farms in the area surrounding St. Petersburg. Based on the results of the investigation, negotiations with the Udarnik poultry farm have led to a joint project with the objective of reducing the load entering the Baltic Sea from leaking manure basins in the farm's area. In May 2012, the Baltic Sea Action Plan Trust Fund granted financing to this joint project of the Foundation and Udarnik. At the time of writing, alternatives for emptying the manure basins are being investigated.

Since January 2012, the Foundation has been in touch with EuroChem, the owner of the Fosforit factory in Kingisepp, with the goal of reducing the load from phosphorus production that enters the Gulf of Finland via the River Luga. According to the estimate of the Baltic Marine Environment Protection Commission, the factory may be responsible for an annual discharge of as much as 700 - 1,400 tonnes of phosphorus to the Baltic Sea, making it by far the largest point load source in the entire Baltic region. In the spring of 2012, EuroChem experts visited Finland in order to acquaint themselves with discharge management in the fertiliser industry, and to negotiate the details of further cooperation. In June 2012, the Foundation and EuroChem signed an agreement specifying that the Foundation and EuroChem shall jointly hire an independent European expert body who will assess the efficiency of the treatment system built for phosphorus load management, and monitor phosphorus load levels in the River Luga.

Tanker Safety project

The final owner of the ENSI (Enhanced Navigation Support Information) navigation service is the Finnish Transport Agency, which is also responsible for ordering the delivery of the service. The ENSI portal, which will be used by tankers, is being implemented according to the plans of the Finnish Transport Agency, and its test use should commence in the autumn of 2012.

John Nurminen Foundation's role in the project is to lead ENSI specification work, and to bring together various stakeholders in order to accelerate service creation and deployment. In the summer of 2012, the Foundation began planning the deployment and release of the ENSI service, and also continued planning the upcoming phases of the service. Preparations are also underway for transferring responsibility for the project to the Finnish Transport Agency.

Fundraising

The Clean Baltic Sea projects are funded with private donations and public financing. During the first half of 2012, income from Clean Baltic Sea fundraising projects amounted to over €300,000. According to the decision made by the Foundation's Board in spring 2012, commitments for donations that stretch over a number of years are not reported in the profit and loss statement. Only those funds that have been paid in the Clean Sea Fund will be reported.

During spring, main supporters Nokia, Fortum and Kuusakoski continued their support to the Clean Baltic Sea projects. Fortum signed a Letter of Intent for annual support amounting to €100,000 for the years 2012–2015, and Kuusakoski made a donation of €50,000. Moreover, Ålandsbanken awarded its €55,000 Nature Account Bonus and Aleksandria made a donation of €10,000 to the Clean Baltic Sea projects.

By 31 July 2012, funds raised amounted to a total of approximately €7.8 million, of which €5.5 million has been used as project funding. Commitments, i.e. funds reserved for ongoing and planned projects, amount to EUR 2.3 million; this sum may still grow if project schedules are moved back.

Currently, funds are being raised for the annual reduction of a further 500 tonnes of phosphorus that is still missing from the Clean Sea projects' 2,500 tonne target; the cost of this is approximately €3 million. The need for funding is very uncertain, as project targets have not yet been identified. Funds are also raised for the deployment costs of the ENSI service, which will amount to approximately €200,000.

Erik Båsk
Secretary General
John Nurminen Foundation