

Witness statement Geir Knutsen

1. My name is Geir Knutsen. I was mayor (Labour Party) in the municipality of Båtsfjord for three periods: 2003–2007, 2011–2014, and 2015–2019. My professional background was as a teacher and headmaster, and before I became mayor I was a Labour Party councillor.
2. This was the backdrop of Kirill Levanidov and Peteris Pildegovics' activities in Båtsfjord: A key company in Båtsfjord had become insolvent, which meant that a large factory was empty. The company that had become insolvent was among the largest ones locally. So we were pleased when Mr Levanidov and Mr Pildegovics came and took it over with a view to refurbishing the factory. Levanidov and Pildegovics put tens of millions of kroner into renovating the factory and adjacent housing. We believed back then the the snow crab would herald a new “gold rush”.
3. When they introduced themselves, Levanidov and Pildegovics appeared as one venture in the sense that they worked together as part of the same business venture. Together they covered both sea and land: they had both the vessels that took the crab on shore and the factory that refined it. It was obvious to me that Seagourmet depended on receiving snow crabs from the Latvian company North Star; it was those vessels exactly that delivered the snow crabs here in Båtsfjord. Levanidov and Pildegovics appeared as part of the same project: the one depended on the other.
4. We were pleased that the factory was once more going: it employed a great number of workers. At the height of its activity, the new concern employed 50–60 persons all year. The concern had the potential of growing further yet. Their investment and activity in Båtsfjord meant employment opportunities for the local community. Their investment in Båtsfjord therefore meant a great deal for the local economy. This was the case both during its fist phase and, obviously, when they were really up and running (Latvian and other workers came, with their families, to Båtsfjord). The broader impact of the new factory and its workers and their families was important for a small community. Those employed by the factory and their families patronized local shops, local grocers, eateries, the cinema, and so on.

5. Whilst they were up and running, Levanidov and Pildegovics were good at trading with local businesses. Furthermore, Seagourmet participated actively in the community by supporting local sports; for example they built a playground and supported sporting events. They were a part of local life. But the employment they brought to the municipality remains the most important thing.
6. It was apparent in Båtsfjord that it was EU vessels that caught the snow crab which Seagourmet refined. I believe everyone knew that. We sought to have Norwegian vessels deliver too. But they process on board, whereas the model of the Latvians was to create employment opportunities ashore as the crab was refined there rather than on the vessels. That was the whole point: Seagourmet brought the crab ashore and created activities on land and in the local economy.
7. We really were pleased when they began. We sought to facilitate for them by contacting central authorities and to speak on their behalf vis-à-vis the regional authorities, members of Parliament, and the Government. We contacted the Minister and were able to set up conversations. I met the Minister with Levanidov and Pildegovics. The suggestion I made was that Båtsfjord be given a quota on which the foreign snow crab fishermen could catch, on the condition that they agreed to deliver and refine the snow crab in Båtsfjord. We were unsuccessful in our endeavours.
8. At Båtsfjord we expanded our capacity for cold storage, in part with a view to being able to store more of the snow crab that North Star brought ashore. The expansion of the cold storage capacities was paid for by the limited liability company Båtsfjord Sentralfryselager, in which Båtsfjord municipality is a majority shareholder; it was the shareholders who decided that the cold storage capacities were to be expanded.
9. What with the snow crab activity, Båtsfjord had become a complete fishery community: we refined whitefish, king crab, farmed fish, and snow crab. This meant that it was easier for us to convince the Government to give us financial support. We also developed a plan to have the port dredged with a view to being able to accommodate larger vessels. The dredging of the port was done so that we could accommodate vessels fishing whitefish, and vessels catching snow crab, including North Star's vessels that delivered to Seagourmet. This work was done in approximately 2018–2019.

10. It was my understanding back then that EU vessels (including Latvian ones) were allowed to catch snow crab in the Barents Sea, in the Loophole, and off Svalbard. My understanding was that that was why they were catching and why they brought the crab to Båtsfjord.

11. Seagourmet made a very good impression at Båtsfjord. Without that kind of immigration of workers to which Levanidov and Pildegovics contributed, Båtsfjord would have ground to a halt. Båtsfjord is among the municipalities in Norway with the highest level of immigration of workers. Levanidov and Pildegovics sponsored sports and patronized shops, grocers, the cinema; it meant a very great deal for Båtsfjord to have such a large factory up and going again. The business they were running was vital to the local community. Snow crabs were a new and exciting product that they brought ashore: everyone in Båtsfjord was of the view that it was very important for the municipality that they had established themselves here.

[signed]

Geir Knutsen

Båtsfjord, 8 March 2021