The Northern Periphery Programme 2007 -2013
and
The Northern Periphery and Arctic Programme 2014 - 2017

Andrew Sim

Project Director Recruit and Retain

Northern
Periphery
Programme
2007–2013

Innovatively investing
in Europe's Northern
Periphery for a sustainable
and prosperous future

European Union
European Regional Development Fund

The Northern Periphery Programme 2007-2013

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Northern Periphery Programme 2007–2013

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Vision

Regions working innovatively together to help communities to develop the potential of Europe's Northern Periphery , and to achieve a sustainable and high quality future, and so make a distinctive contribution to a more dynamic EU.

All projects are expected to contribute to the overall vision of the programme through the development of innovative products and services

Northern
Periphery
Programme
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Aim

To help peripheral and remote communities on the northern margins of Europe to develop their economic, social and environmental potential.

The success of the programme will be built on joint projects creating innovative products and services for the benefit of the programme partner countries and Europe as a whole.

Transnational cooperation provides opportunities for finding new ways to address shared challenges and explore new opportunities.

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Priority 1

Promoting innovation and competitiveness in remote and peripheral areas

i. Innovation, networks and competitiveness

ii. Accessibility

Priority 2

Sustainable development of natural and community resources

i. Environment as an asset in the periphery

ii. Urban-rural development and promotion of heritage

Northern Periphery
2007- 2013

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NUTS 3 regions belonging, entirely or partially, to the Northern Periphery Programme

- in EU Member States
- Outside the EU

━ Northern Periphery area

〜 National boundary

ICELAND

FAROE ISLANDS

SWEDEN

NORWAY

FINLAND

SCOTLAND

NORTHERN IRELAND

IRELAND

UNITED KINGDOM

DENMARK

GREENLAND

SVALBARD

©NLS 1996

NORDREGIO
Nordic Centre for Spatial Development

0   100   200   300 km

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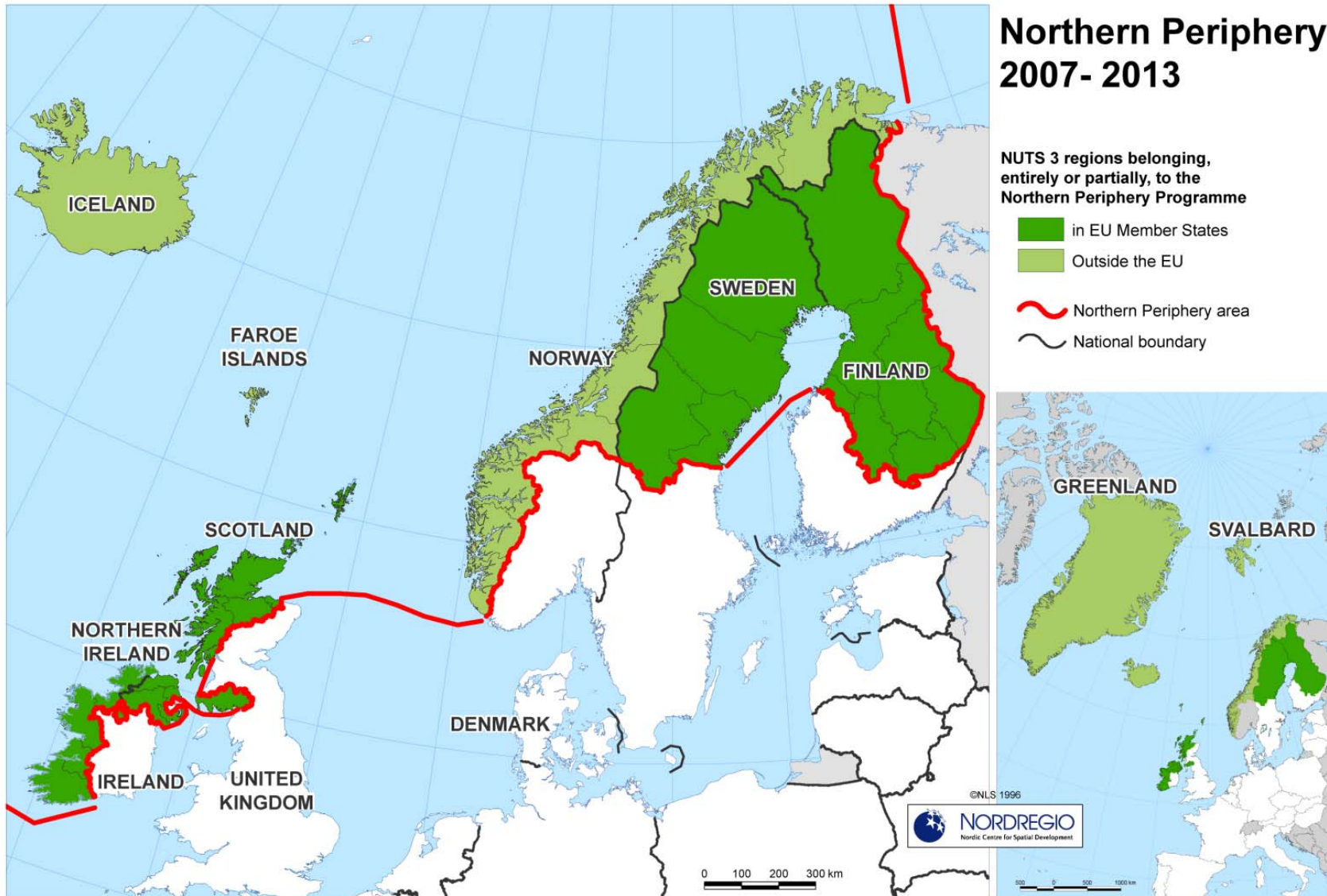
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€45 million of European funds (ERDF) will be allocated to projects that address the priorities for transnational cooperation.

€35,115,000 for partners in Member States

€10,155,000 for partners in Non member States.

Priority 1 60%

Priority 2 40%

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But why Canada?

The Northern Periphery Programme 2007-2013

But why Canada?

- Up to 10% of ERDF, Norwegian or Icelandic funds may be used to finance expenditure incurred by partners located in adjacent regions of Russia and Canada.

- The adjacent regions of Russia encompass Murmansk, Karelia and Arkhangelsk, and the adjacent regions of Canada primarily include Labrador, Newfoundland and Nova Scotia.

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Programme Bodies

- Programme Secretariat
- Regional Contact Points
- Managing Authority (MA)
- Certifying Authority (CA)
- Audit Authority (AA)
- Programme Monitoring Committee (PMC)
- Programme Management Group (PMG)
- Regional Advisory Groups (RAGS)

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Project Types

- ❑ Preparatory

- ❑ Main

- ❑ Strategic

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Project requirements

Transnational working with:

- Three partners from 3 different programme countries
- One partner located within an EU member state
- Exclusive cross border partnerships are not allowed
- Three out of four 'joint':

Development   Implementation

Staffing   Financing   (Strategy for dissemination)

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Project Structure

- Partnership
  - Lead Partner
  - Partnership agreement

- Budget
  - Financial arrangements

- Work Packages

- Indicators
  - General
  - Priority specific
  - Activity

- Communication and Dissemination

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Required within first six months of the project	Optional tools tailored to the project's individual needs Examples include:
▪ Project website	▪ Project poster
▪ Project logo	▪ Project newsletter
▪ Promotional material for use at conferences, seminars, exhibitions, etc.	▪ Project DVD
▪ Project presentation in PowerPoint format outlining the project's objectives	▪ Plaque
▪ Completion of a brief project case study based on an NPP template	▪ Other dissemination materials or tools
▪ Submission of small collection of photos relevant to the project	

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Project Finance

Budget is Co-financed by:

- **Matched Funding**
  - In kind
  - Cash
- **ERDF Grant**
  - Intervention rates
    - Member states 60% (75%)
    - Non-member states 50%

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NPP Annual Report 2012

Table 4- Received Preparatory project applications by programme partner countries

	Finland	Sweden	Scotland	Northern Ireland	Ireland	Norway	Iceland	Total
Received applications	23	17	13	3	10	3	9	78
Approved application	10	10	6	1	4	1	4	36
Rejected application	8	4	3	2	3	2	2	24
Withdrawn application	3	3	2	0	2	0	2	12
Inadmissible application	2	0	2	0	1	0	1	6
Success rate	43%	59%	46%	33%	40%	33%	44%	

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NPP Annual Report 2012

Table 7. Received main project applications by programme partner countries and their distribution

	Finland	Sweden	Scotland	Northern Ireland	Ireland	Norway	Iceland	Greenland	Faroe Island	Total
Received applications (TP)	24	22	17	2	14	8	3			90
Approved applications (AP)	13	11	10	1	7	4	1			47
Rejected applications	9	10	6	1	6	3	2			37
Inadmissible applications	2	1	1	0	1	1	0			6
Success rate(AP/TP)	54%	50%	59%	50%	50%	50%	33%			52%

	Finland	Sweden	Scotland	Northern Ireland	Ireland	Norway	Iceland	Greenland	Faroe Island	Total
Percentage of projects with Lead Partner by programme partner country	28%	23%	21%	2%	15%	9%	2%			100%

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Important lessons learnt

- Concentration on only two main priorities represents a tighter focus compared with other programmes
- Relatively narrow sub-themes are not as popular as broader more general themes
- The process of integrating the new Programme areas has been a success
- Thematic flexibility is an important prerequisite for adaptation to unforeseen macro-economic changes
- Strategic project development activities give better and more tangible results
- New products and services have to be the outcome of the projects

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The Northern Periphery and Arctic Programme
2014 - 2020

The Northern Periphery and Arctic Programme 2014 - 2020

Vision

The Northern Periphery and Arctic programme 2014 – 2020 aims to expand the region's horizons, building on concrete outcomes and enabling the NPA area to be a 1st class region to live, study, work, visit and invest in.

To counteract the overwhelming challenges the Programme will generate vibrant, competitive and sustainable communities, by harnessing innovation, expanding the capacity for entrepreneurship and seizing the unique growth initiatives and opportunities of the Northern and Arctic regions in a resource efficient way.

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Europe 2020 Strategy

The Common Strategic Framework has 11 thematic objectives

NPA 2014 – 2020 has chosen 4:

1. Strengthening research, technological development and innovation
3. Enhancing the competitiveness of SMEs
4. Supporting the shift towards a low carbon economy in all sectors
6. Preserving and protecting the environment and promoting resource efficiency

Regions belonging, entirely or partially, to the Northern Periphery and Arctic Programme area

National Boundary

in EU Member States

Outside the EU

Adjacent Regions

SVALBARD

0   125   250   500
km

GREENLAND

0   250   500   1000
km

ICELAND

Arctic Circle

FAROE ISLANDS

NORWAY

SWEDEN

FINLAND

NORTHERN IRELAND

SCOTLAND

IRELAND

0   125   250
km

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ADJACENT REGIONS

Nunavut

Nova Scotia

Newfoundland and Labrador

Arkhangelsk

Murmansk

Karelia
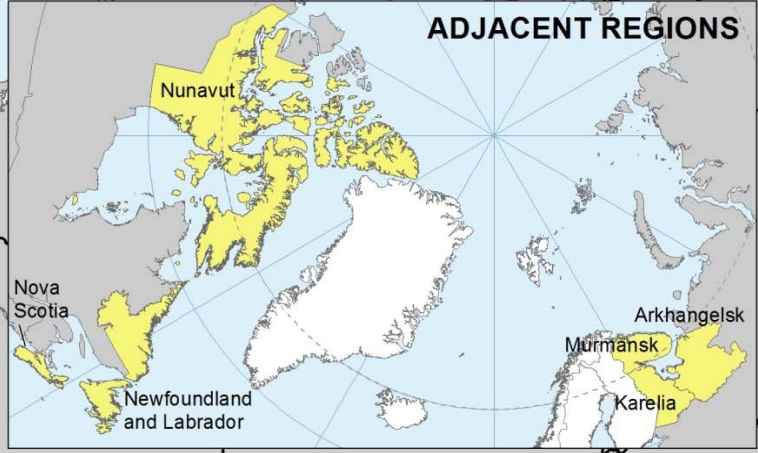
Table 1 Programme Area SWOT

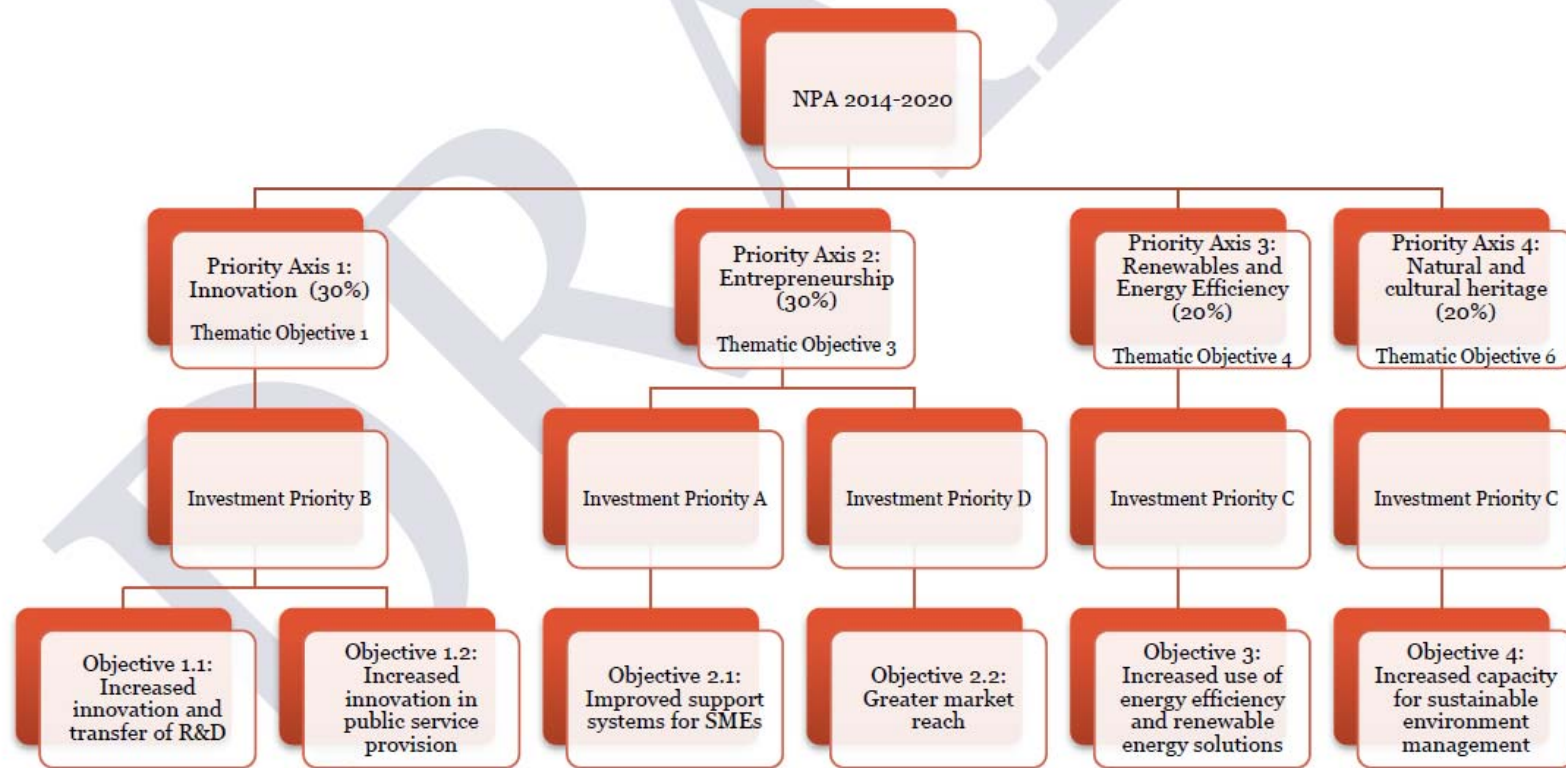| Strengths	Weaknesses
Abundance of natural resources • Unspoilt environment and nature • Important part of global potentials of energy- and mineral resources • Huge potential for renewable energy production • Rich bio-resources, maritime, forest etc.	**Peripherality** • Low access to international key markets • Long internal distances • Lack of internal and external connectivity • High costs of transport and vulnerable transport connections • High cost of service delivery and operating business
Versatile business sector • High proportion of SMEs • Innovative clusters, in particular knowledge-based industries • Arctic expertise • Good triple helix experience in some regions • Ability to attract foreign investments in specific regions and sectors	**Fragile local economies** • Dependency on public and primary sector employment • Vulnerable industrial regions • Restricted capacity for R&D, innovation and entrepreneurship • Limited ability to make use of the regions research capacity • Low rate of new firm formation and few home-grown large or export firms • Low value added of goods and services • Lack of customer base
Strong regional centres • With international links and networks in public policy, academia and industry • Strong well integrated universities in some regions	**Shrinking rural areas** • Increasing centralisation • Growing urban-rural dichotomy
Demographic drivers • Positive in-migration from abroad in many regions • Some regions with a young population	**Demographic challenges** • Sparse population • Youth out-migration • Ageing (most regions)
Labour market assets • Good and expanding job opportunities for specific skills • Well educated women mainly in the public sector	**Labour market challenges** • Gender segregation • Structural unemployment • Insular labour markets • Lack of study and career opportunities ; brain drain • Shortage of labour with appropriate skills
Governance strengths • Small and efficient public authorities • In principle high level of regional and local independence in parts of the Programme area	**Governance challenges** • Lack of capacity e.g. to integrate big scale investments into regional local economy • Centralised strategic decision making at national level

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Opportunities	Threats
Development of local- and regional economies • Promotion of internationalisation, attract large firms • Reinforcing triple helix cooperation, in particular capacity of innovation and access to R&D for SMEs • Promoting innovation in relevant business sectors new and more traditional as well as social innovations • Further development of areas of excellence and current business clusters	**Globalisation and increased competition** • Small, open economies and small domestic markets • Underdeveloped capacity of SMEs for competition and internationalisation • Lack of access to finance for small businesses • Decline in employment in traditional sectors, leading to increased social exclusion and skill waste • Lack of ability to integrate immigrant workers
The Green Economy & capitalising on the opportunities from climate change • New employment opportunities by investments in renewable energy and environmental technology • Eco-tourism • Green products and service development including public goods • New agricultural opportunities • New sea routes	**Environment & climate change** • Failure to exploit natural resources in a sustainable way • Manmade disasters in connection with extreme weather • Extreme costs for adaptation to climate change • Loss of bio-resource base • Natural disasters implied by climate change
Sparsity & demography • Natural and cultural assets as basis for quality of life, recreation and traditional tourism • New concepts for tourism • Growing international in-migration • Return of young and well educated out migrators	**Demography** • Increased Youth out-migration
Governance • International cooperation with neighbours (incl. Russia and Canada) and further engagement in international networks	**Governance** • Centralisation of services and budget reductions • Shrinking understanding of the challenges in the periphery
Access • Realising the opportunities of high speed broadband • Development of new transport corridors • New and more efficient modes of transport, new sea ports	**Access** • Rising prices for traditional modes of transport

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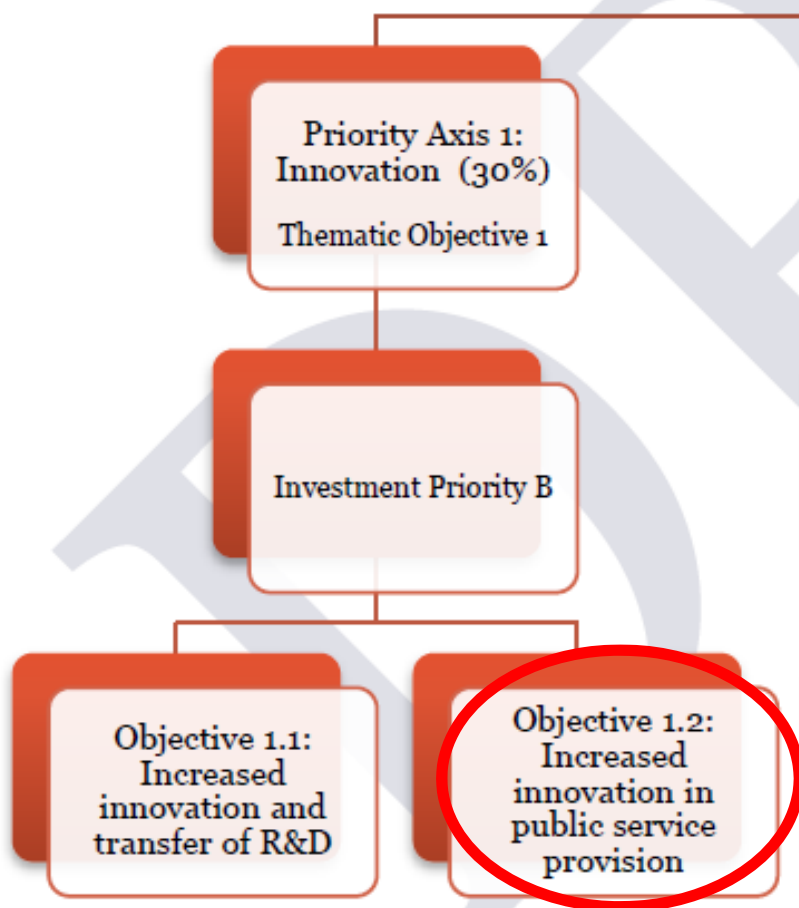# The Northern Periphery and Arctic Programme 2014 – 2020 Priority Structure
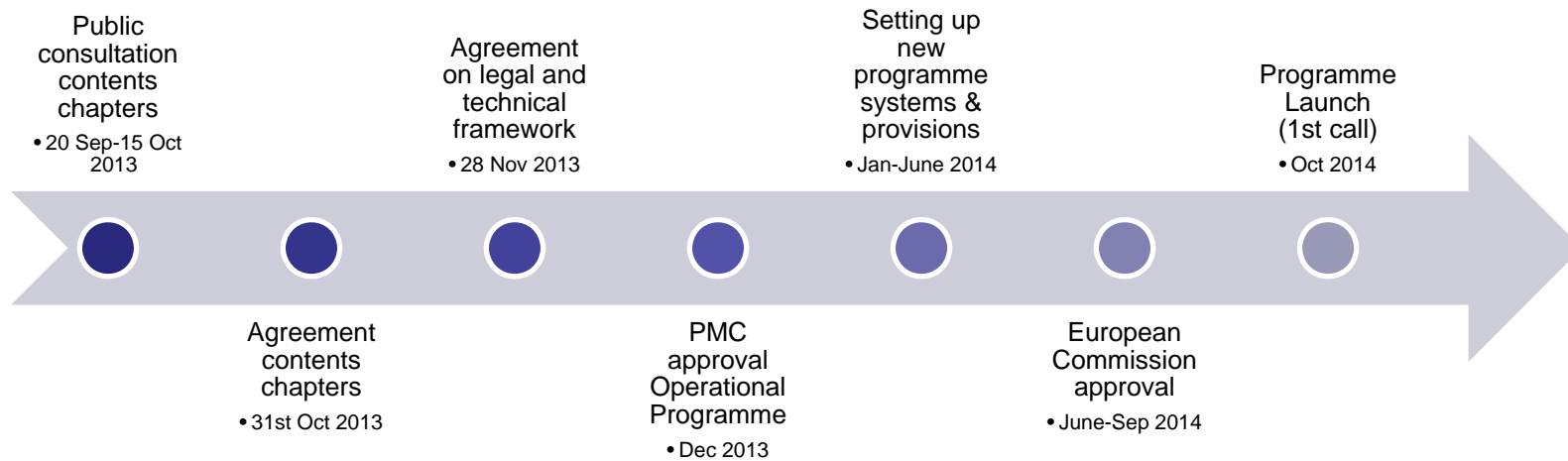
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Priority Axis 1:
Innovation (30%)

Thematic Objective 1

Investment Priority B

Objective 1.1:
Increased innovation and transfer of R&D

Objective 1.2:
Increased innovation in public service provision

1. **Strengthening research, technological development and innovation**

The Northern Periphery and Arctic Programme 2014 - 2020

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Timeline (best case scenario)

Public consultation contents chapters
• 20 Sep-15 Oct 2013

Agreement on legal and technical framework
• 28 Nov 2013

Setting up new programme systems & provisions
• Jan-June 2014

Programme Launch (1st call)
• Oct 2014

Agreement contents chapters
• 31st Oct 2013

PMC approval Operational Programme
• Dec 2013

European Commission approval
• June-Sep 2014

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Body		Role
Programme Monitoring Committee 2020	PMC 2020	The main decision body, with the same structure as the PMC 2007-2013. In addition, observers representing countries with adjacent areas in Russia and Canada, as well as other relevant observers identified. This body was responsible for initiating the final consultation process of the Operational Programme and final submissions/ agreement of the Operational Programme.

involvement with private enterprise, especially SMEs. In addition, it will be a challenge to obtain participation of new partners from outside the Programme area, from Russia and Canada in particular.

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