



**Northern Periphery and
Arctic Programme**
2014–2020



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The Northern Periphery and Arctic programme in brief

Information about progress in the years 2014-2015



About the programme

The Northern Periphery and Arctic Programme 2014–2020 covers a huge area that corresponds to 75% of EU's area. The Programme comprises a cooperation between 9 Programme partner countries; the EU-Member States of Finland, Ireland, Sweden and the United Kingdom (Scotland and Northern Ireland) in cooperation with the Faroe Islands, Iceland, Greenland and Norway. Besides that Russia and Canada have the status as observers in the Monitoring Committee. This means that the Programme area encompasses the Euro-Arctic zone, parts of the Atlantic zone and parts of the Barents region, with neighbouring areas in and Russia. Despite geographical differences, the large Programme area shares a number of common features, such as low population density, low accessibility, low economic diversity, abundant natural resources, and high impact of climate change. This unique combination of features results in joint challenges and joint opportunities that can best be overcome and realised by transnational cooperation.

The Programme's vision is to help to 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.



The development needs and potentials of the Programme area, together with the policy and historic context, have resulted in 4 priority axes to achieve the Programme vision:

1. Using innovation to maintain and develop robust and competitive communities.
2. Promoting entrepreneurship to realise the potential of the Programme area's competitive advantage.
3. Fostering energy-secure communities through promotion of renewable energy and energy efficiency.
4. Protecting, promoting and developing cultural and natural heritage.

The sparsely populated communities of the Programme area are the focal point of all 4 priority axes.

The development of the Arctic has had and still has a growing attention at national level as well as in international cooperation, latest expresses by the EU communication on an integrated European Union policy for the Arctic. Therefore, in addition to the four above mentioned priority axes, the NPA addresses the "Arctic Dimension" as a cross cutting theme. This is done by including partners from the Arctic part from the Programme Area and by supporting cooperation, innovation and transfer of knowledge, and technology within themes of specific significance for the Arctic territories. The overall intention is that NPA projects shall foster changes that are of importance to people, including indigenous peoples, living in the Arctic area.

To ensure that indigenous peoples' interest can be met by the programme a representative for indigenous peoples has status as permanent observer in the programme Monitoring Committee. During the period 2014–2020, the Programme will allocate approximately 56 million Euros of programme funding to a target of 54 projects with a maximum total project budget of 2 million Euros per project including match funding.

Progress in 2014-2015

The Annual Implementation Report 2016 gives an overview of the implementation of the Programme during the years 2014 and 2015. The following summarizes some key points in the report:

The Northern Periphery and Arctic Programme 2014 – 2020 was approved by the EU Commission on the 16th December 2014. To ensure a strong implementation right from start, the First Call was opened in the autumn 2014 before the formal approval by the EU Commission. Therefore, a first batch of main projects could be adopted by the Monitoring Committee as early as in February 2015. In continuation of the First Call, the Second Call was completed during the spring 2015.

In total 18 main projects were approved in 2015 and in total 18.395.596 EUR or 33,3% of the total NPA funding for projects was allocated.

After the two first calls, the partners are very well distributed across the three geographical zones of the programme area: 53 partners in Finland, Sweden and Norway; 46 partners in Scotland, Ireland and Northern Ireland; 22 partners in Greenland, Iceland and Faroe Islands; and finally, 9 partners in other countries outside the Programme Area.



Seen in relation to the four programme priority axes, the 18 approved main projects are distributed unevenly. When adding the approved preparatory projects it is evident that the most popular theme is Axis 1 (Innovation) where 8 main projects and 3 preparatory projects. Axis 2 (Entrepreneurship) follows with 7 approved main projects and 4 preparatory projects while Axis 3 (Energy efficiency) has one approved main project and 3 preparatory projects and Axis 4 (Sustainability) so far only has two approved main projects and two preparatory projects.

Distance and costs are often obstacles to the development of a strong and well balanced project partnership, due to the dispersed geography of the NPA Programme area. For that reason, preparatory (seed money) projects are a programme specific tool developed to bring potential project partners together and to generate high-quality main project applications.

Since the launch of preparatory projects in early 2015, 12 projects have been funded.

Results at programme level are monitored through so called result indicators and output indicators. However, due to the early stage of the implementation it is too early to get any information about achieved results.

Examples of funded projects

Three examples of funded projects from the two first calls are listed below. These examples address core themes within the NPA Programme:

Northern Cereals – New Markets for a Changing Environment

The project addresses Priority Axis 1, Specific Objective 1.1; *Increased innovation and transfer of R&D:*

Important preconditions for the project as warmer growing conditions, improved varieties of cereals and technologies, and concerns about sustainability are creating new opportunities in northern areas for greater cereal production.

The project aims to increase cereal cultivation and the use of local cereals for making higher value products in the partner regions. Where cereal growing is least developed, the emphasis will be on growing for feed to reduce current dependence on feed imports. But, in all areas, support will be given to farmers and SMEs to help them use local cereals for small-scale production of food and drink products. This will create higher value markets for cereals (e.g. for malting or milling) which will help to diversify farm income and create opportunities for new product development (e.g. local bakery products, beers and spirits) by local SMEs. Tourists will provide a major market for these products (more than 1.6 million tourists visit the participating regions per year) and this will therefore help to distribute income from tourism more equitably, especially to more remote areas. Furthermore this project is likely to create diverse job opportunities in rural areas, which will increase local employment possibilities for women. In marketing these products, a major advantage will be the wholesomeness associated with northern products and this may also create opportunities for export.

The main outputs from the project will be increased numbers of farmers growing cereals for feed, malting or milling and the production of higher value cereal products like seed, malt, food and



beverages. These changes will increase employment, income and consumer choice in rural areas. The main beneficiaries will be growers and their local communities, SMEs and consumers.

The partnership is led by an Icelandic partner besides that, partners from Norway, Scotland, Faroe Island and Canada are involved. The partnership consists of research institutions, farmer's organisations and enterprises within food production and tourism sectors.

Circular Ocean

The project addresses Priority Axis 2, Specific Objective 2.1; *Improved support systems for SMEs.*

An important precondition for the project is the relentless increase of marine litter which is particularly pertinent to countries of the NPA region. In addition, these areas have limited business opportunities and associated supply chains.

The project focus on reducing fishing nets as marine waste and will look for possible synergies for eliminating, collecting, reprocessing and creating new value out of discarded fishing nets and other marine waste in the countries of the Northern Periphery and Arctic Region. The project aims to promote social enterprises that can benefit from the circular economy, and assist coastal and rural communities in the development of new sources of livelihood, while reducing marine waste and enhancing the quality of life in the region, and developing best practice which can be applied to the rest of Europe.

The main output of the project will be new approaches towards the processing, recycling and repurposing of marine plastic waste. In parallel, the project will facilitate and propagate place-based green business opportunities. This will be achieved by directly focussing efforts on activities, providing services, and developing products that enable and empower local entrepreneurs and business to create and maintain economically and environmentally sustainable businesses. By connecting enterprises together through a green transnational network which will assist business in overcoming barriers associated with remoteness and low accessibility.

The partnership is led by a Scottish partner and involves partners from Ireland, Greenland and Norway. The partnership consist of research and design institutions, business development agencies and marine protection agencies

REGINA

The project addresses Priority Axis 4, Specific Objective 4; *Increased capacity of remote and sparsely populated communities for sustainable environmental management*

An important precondition for the project is that each of the involved municipalities and local development agencies share three "bundles" of territorial challenges;

- (i) sparsity, remoteness and negative demographic structures/trends;
- (ii) land use conflicts; and
- (iii) management of the emerging potential for green growth, and the retention of local benefits.

Facing all three simultaneously constitutes a very complex and diverse set of challenges. In addition, each of the local partners are required to interact with powerful globalised companies carrying out resource-based activities (mining, oil and gas, renewable energy production) within their jurisdictions. The main output of the project will be to make local authorities and communities in



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remote and sparsely populated areas better prepared for environmental management in relation to the impacts of new investments in exploitation of natural resources. It will achieve this by delivering new tools to support strategic environmental planning. These tools will be developed by research institutions in conjunction with local authorities, and by exchange of experiences and good practice.

The partnership is lead by a Swedish partner and involves partners from Finland, Norway, Greenland and Scotland. The partnership consists of regional and local authorities and research institutes.