

Northern Sparsely Populated Areas Network Welcomes the Integrated EU Arctic Policy of 27 April 2016 (29.9.2016)

The Northern Sparsely Populated Areas network, NSPA, represents the interests of the four northernmost counties and regions of Sweden (Norrbotten, Västerbotten, Jämtland Härjedalen and Västernorrland), the seven northernmost and eastern regions of Finland (Central Ostrobothnia, Kainuu, Lapland, North Karelia, Northern Ostrobothnia, Pohjois-Savo and Etelä-Savo) and North Norway (Finnmark, Troms and Nordland).

The Northern Sparsely Populated Areas Network, NSPA, welcomes the Joint Communication from the European Commission, EC, and the External Action Service, EEAS, of 27th April 2016 on an Integrated EU Arctic Policy. The legitimacy for EU in the Arctic is connected to support for sustainable development in the Arctic region in cooperation with the peoples concerned, and therefore we would like to highlight the focus on regional development in the communication.

The NSPA welcomes the EU Joint Communication on the Arctic and supports the European Council conclusions of June 2016 on the communication. These statements deliver a good basis for the future, and therefore **we hope that the European Parliament would also support the sustainable development approach chosen by the EC, EEAS and the Council.**

1. An active EU policy for climate resilience, research and international cooperation in the Arctic

The Arctic is a unique ecosystem with unique challenges and potentials. Climate change affects the Arctic and Sub-Arctic regions more than anywhere else. The negative effects need global attention, including from the EU as a major influencer on and supporter of the Arctic region. It is, however, important to recall that the climate effects do not, other than on the margin, have their origin in the Arctic. In that respect, the focus and legislative measures have to be of general and global nature.

The NSPA supports the focus on climate change mitigation and resilience. It is essential that the EU rapidly embraces the international climate commitments made in Paris in December 2015. We also strongly support the focus on Arctic research by the EU. The NSPA regions host several research institutions with excellent knowledge and competence on the Arctic and technologies and societal research knowledge of global interest. Arctic research should be conducted by actors in the region.

The Arctic has furthermore been a low-tension area due to a good dialogue among the states and regions and peoples concerned. This can however change as the environmental strains accelerate and economic interests increase. **This implies a crucial focus on the international cooperation and the need to use and develop the cooperative platforms that exist.** The European Arctic is and should remain an area of low tension with balanced and practical relations with Northwest Russia. The EU's continued engagement in the Barents Euro Arctic cooperation is very much welcomed, also on the regional level in the framework of the Regional Barents cooperation as well as the versatile regional cooperation with St. Petersburg metropolitan region.

In this context, **the NSPA would ask the EU to support the continuation of the Northern Dimension policy, ND.** It is an important tool for cooperation through its partnerships that can substantially help in e.g. creating concrete environmental, economic and cultural activities by promoting overall people-to-people, business-to-business, and researcher-to-researcher dialogue.

2. EU support for sustainable regional development unlocking economic potential in the Arctic

The NSPA appreciates the efforts made towards a concrete dialogue from the EU with our regions and stakeholders, as a part of the preparation of the EU Arctic communication. We are confident that the EU will continue to build on that and look forward to be a constructive contributing partner.

The NSPA welcomes especially the EU communication's focus on sustainable regional development with continued support from EU instruments such as the structural and investment funds with its certain ERDF support for the regions in the northern parts of the EU and the interregional programmes in the Arctic region, including the CBC programmes, **along with the aim of more efficient and focused investments in research, innovation and connectivity. The Arctic regions of Finland, Sweden and Norway have great potential to contribute to the European markets and economy.** It must be ensured that the financial support allocated through funds, respectively regional state aid, create a level playing field for regions that are located that far north.

Being Arctic and Sub-Arctic, the NSPA regions have highly developed societies and strive for sustainable development, but also face several challenges; long distances, sparse population, harsh climate and unbalanced demography make competition with other regions challenging. Furthermore, raw-material-based economies deliver large revenues to the industrial owners and the beneficiaries, but bring few re-investments into the local society. This creates an imbalance and the need for special attention from the EU as a beneficiary of the Arctic and the region's minerals, marine resources, forests, energy supplies and more needed for European industries and economic growth.

Two investment needs, beside the support for innovation and overall sustainable development, can be highlighted; **the need for investments in ICT and infrastructure to connect the Arctic region.** Broadband is a facilitator for handling the needs in remote sparsely-populated regions with harsh climate. Infrastructure, filling the missing links for the regions to be fully integrated parts within the Arctic macro-region and to Europe and globally, is a key to sustainable Arctic societies. It is positive that the EU communication recognises this. The EU Ten-T policy as well as e.g. the ND Partnership on Transport and Logistics is in this context important for the transport plans in the Arctic region.

3. OECD review of the NSPA contributes to Arctic smart specialisation and investment priorities

In 2016 the Organisation for Economic Co-operation and Development, OECD, will finalise a Territorial Review on the 14 regions in the NSPA. The study is initiated by the regions out of awareness of the need for cooperation due to lack of critical mass of people, administrative capacity and capital in each region, to take common charge in making a change, with support from the EU. The Review will deliver relevant and crucial knowledge and understanding of our regions and advice on the investment priorities and smart specialisation strategies needed, also in an Arctic context. **We look forward, with the findings in the OECD study on the NSPA, to working together with the EU to develop our regions further, to the benefit of the EU as a whole and the EU's interests in the Arctic.**

Being the gateway for the EU to the Arctic, we overall welcome the EU's will to establish common platforms and support for investments in the region. **We support the establishment of an EU Arctic Forum** for the implementation of EU policies and common investment priorities towards the Arctic.

Decided in the NSPA political steering group on 29.9.2016.

NSPA political steering group:

East and North Finland

Satu Vehreävesa, chair, Regional Council of Pohjois-Savo
Tytti Tuppurainen, Oulu Region

North and Mid Sweden

Erik Bergkvist, Region Västerbotten
Anders Josefsson, Municipalities of Norrbotten

North Norway

Cecilia Myrseth, Troms County