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The northern dimension of cohesion for all of Europe

The Northern Sparsely Populated Areas (NSPA) comprise less than 0,5% of EU population on 10% of EU land area.

The NSPA consist of North & Mid Sweden as well as North & East Finland within the EU, and furthermore North Norway within the EEA; a growing unique cooperation in the north of Europe, at the core of the European Arctic.

According to EU standards, sparsely populated areas (SPA) are areas with less than 12,5 inhabitants per square kilometre. Very sparsely populated areas have fewer than 8 inhabitants/km². NSPA within the EU have on average 5,1 inhabitants/km² (116 for the EU on average).

There are other SPA in Europe, but the scale for NSPA – geographically, in sparsity and distances to any agglomeration – adds another dimension to the phenomenon.

Obstacles for the NSPA to overcome

The conditions in the NSPA pose very specific challenges.

1: Sparsely populated

Very few people on a very vast area mean extra costs for infrastructure and public, social and commercial service.

2: Remote

Long distances within the region and to the markets entail extra costs for communication and local, regional and external trade, not least due to lack of needed infrastructure.

3: Arctic

Harsh climate and long dark nights during long winters bring extra costs for heating, lighting and keeping roads and waterways open.

4: Dependent on raw material

Large natural resources such as minerals (e.g. 90% of EU's iron ore), forests, oil, gas, hydro power, bring about a vulnerable enterprise structure where revenue from external investors and industries does not benefit the local society.

5: Declining and ageing male-dominated societies

All this, in combination with rationalized industries, leads to many declining societies, with young people, especially women, leaving for education and better jobs, while industries have difficulty finding skilled workers. Being rich in natural resources is not the same as being a rich society.

Legal basis for extra EU allocation for the NSPA

Article 174 of the EU Treaty puts particular emphasis on regions with permanent natural or demographic handicaps, such as SPA. In Protocol 6 of the Accession Treaty for Sweden and Finland, the NSPA are acknowledged as special, very sparsely populated areas that need specific treatment due to extreme geographical specificities.

Hence, the NSPA regions are acknowledged by the EU to face severe and permanent obstacles. The EU structural and investments funds therefore also allocate some extra resources to the Northern Sparsely Populated Regions, i.e. the EU regions in the NSPA.

An OECD study providing grounds for regional growth

The NSPA network has initiated a study by the OECD that will be executed 2015—2016, to assure that the regional development efforts of all 14 NSPA regions are as efficient as possible and in line with EU strategies, so as to be able to, with continued adapted EU support, deliver full regional growth and added value to all of Europe.

The OECD is a renowned research body with global expertise and a tried method in assessing and proposing relevant development strategies. This NSPA study is, however, unique as it concerns a transnational (macro-)region and has attracted attention at national and EU level as well as from nations around the world, interested in the outcome.

NSPA needs to work closer together to boost common innovation; the OECD study is a step on that path.

Unleashing the regional innovative NSPA potential

NSPA have already, with EU support, shown substantial progress as a leading innovative area in Europe with globally unique growth centres paving the way forward.

1: Focused investments for Europe 2020 in the NSPA It is important for the NSPA to focus on regional growth in line with EU 2020 and smart specialisation, based on facts, figures and best practice, using the OECD study to this end.

2: Expanding clusters of smart specialisation

EU support, together with national and regional efforts, has brought results to the NSPA, not least in innovation and specialisation, creating leading clusters connected to world-leading skills in mining, foresting, IT and more.

3: Using existing obstacles in innovative ways

Potential is also realised by using obstacles in new ways; such as world-leading winter car test sites, the Ice Hotel, establishment of clean winter-cooled super server halls and tourism, e.g. charter trips to the home of Santa Claus.

4: Being pragmatic in the demographic transitionThe NSPA are forerunners in the demographic challenge.
The need to tackle this issue also brings about innovation,

