

Added Value of Cross-Border and Transnational Cooperation in Nordic Regions

Lisa Hörnström, Lise Smed Olsen and Lisa Van Well

NORDREGIO WORKING PAPER 2012:14



Added Value of Cross-Border and Transnational Cooperation in Nordic Regions

Added Value of Cross-Border and Transnational Cooperation in Nordic Regions

Lisa Hörnström, Lise Smed Olsen and Lisa Van Well



NORDREGIO
Nordic Centre for Spatial Development



norden
Nordic Council of Ministers

Nordregio Working Paper 2012:14

ISBN 978-91-87295-03-4
ISSN 1403-2511

© Nordregio 2012

Nordregio
P.O. Box 1658
SE-111 86 Stockholm, Sweden
nordregio@nordregio.se
www.nordregio.se
www.norden.org

Analyses and text: Lisa Hörnström, Lise Smed Olsen and Lisa Van Well
Repro and print: Allduplo, Stockholm, Sweden

Nordic co-operation

takes place among the countries of Denmark, Finland, Iceland, Norway and Sweden, as well as the autonomous territories of the Faroe Islands, Greenland and Åland.

The Nordic Council

is a forum for co-operation between the Nordic parliaments and governments. The Council consists of 87 parliamentarians from the Nordic countries. The Nordic Council takes policy initiatives and monitors Nordic co-operation. Founded in 1952.

The Nordic Council of Ministers

is a forum of co-operation between the Nordic governments. The Nordic Council of Ministers implements Nordic co-operation. The prime ministers have the overall responsibility. Its activities are co-ordinated by the Nordic ministers for co-operation, the Nordic Committee for co-operation and portfolio ministers. Founded in 1971.

Nordregio – Nordic Centre for Spatial Development

works in the field of spatial development, which includes physical planning and regional policies, in particular with a Nordic and European comparative perspective. Nordregio is active in research, education and knowledge dissemination and provides policy-relevant data. Nordregio was established in 1997 by the Nordic Council of Ministers. The centre is owned by the five Nordic countries and builds upon more than 30 years of Nordic cooperation in its field.

Stockholm, Sweden, 2012

Contents

Preface	9
I Introduction.....	11
Background: preparation for the future programming period 2014-2020	11
Aim of the study	12
Disposition of the report	12
II 'Added value' in European Territorial Cooperation Policy	13
Operationalizing 'added value' in territorial cooperation	14
Organisational and policy learning	14
Solutions to common problems	14
Generating critical mass.....	15
Building transnational structures for future cooperation and further cohesion	15
III Current programme period 2007-2013	17
Cross-border cooperation programmes	18
NORD PROGRAMME	18
BOTNIA-ATLANTICA	21
SVERIGE-NORGE PROGRAMME	24
ÖRESUND-KATTEGAT-SKAGERRAK PROGRAMME	27
SYDDANMARK-SCHLESWIG-K.E.R.N. PROGRAMME	30
FEHMARNBELT PROGRAMME	34
CENTRAL BALTIC PROGRAMME	37
SOUTH BALTIC PROGRAMME	42
Transnational cooperation programmes	45
BALTIC SEA REGION PROGRAMME	45
NORTHERN PERIPHERY PROGRAMME	49
NORTH SEA PROGRAMME	53
IV Added value of territorial cooperation and selection of thematic objectives	57
Cohesion Policy Framework.....	58
Regional characteristics and trends	59
Thematic concentration	59
Added value considerations/recommendations.....	61
Learning opportunities and knowledge generation	61
Solutions to common problems	62
Generating critical mass	62
Structures for further cooperation and territorial cohesion	62
Concluding remarks	62
References	65

List of figures

Figure 1: European Territorial cooperation programme areas 2007-2013 in the Nordic Countries.....	17
Figure 2: Map of the Nord programme area and graphs displaying total population change in % from 2007-2011 and unemployment rate in % from 2007-2011 in the programme area.	18
Figure 3: Map of the Botnia-Atlantica programme area and graphs displaying total population change in % from 2007-2012 and unemployment rate in % from 2007-2011 in the programme area	21
Figure 4: Map of the Sverige-Norge programme area and graphs displaying total population change in % from 2007-2012 and unemployment rate in % from 2007-2011 in the programme area.....	24
Figure 5: Map of the Öresund-Kattegat-Skagerrak programme area and graphs displaying total population change in % from 2007-2012 and unemployment rate in % from 2007-2011 in the programme area.....	27
Figure 6: Map of the Syddanmark-Schleswig-K.E.R.N. programme area and graphs displaying total population change in % from 2007-2012 and unemployment rate in % from 2007-2011 in the programme area.....	31
Figure 7: Map of the Fehmarn Belt programme area and graphs displaying total population change in % from 2007-2012 and unemployment rate in % from 2007-2011 in the programme area.....	34
Figure 8: Map of the Central Baltic programme area and graphs displaying total population change in % from 2007-2012 and unemployment rate in % from 2007-2011 in the programme area.....	37
Figure 9: Map of the South Baltic programme area and graphs displaying total population change in % from 2007-2012 and unemployment rate in % from 2007-2011 in the programme area.....	42
Figure 10: Map of the Baltic Sea Region programme area and graphs displaying total population change in % from 2007-2012 and unemployment rate in % from 2007-2011 in the programme area.....	45
Figure 11: Map of the Northern Periphery programme area and graphs displaying total population change in % from 2007-2012 and unemployment rate in % from 2007-2011 in the programme area.....	49
Figure 12: Map of the North Sea programme area and graphs displaying total population change in % from 2007-2012 and unemployment rate in % from 2007-2011 in the programme area.....	53

Figure 13: Guideline structure for selection of thematic objectives in the coming programming period 2014-2020	57
Figure 14: Diagram illustrating the relation between the 11 thematic objectives and the three dimensions of the Europe 2020 strategy	60

List of tables

Table 1: Priorities of the North programme 2007-2013	20
Table 2: Priorities of the Botnia-Atlantica programme 2007-2013	23
Table 3: Priorities in the Sverige-Norge programme 2007-2013	26
Table 4: Priorities of the Öresund-Kattegat-Skagerrak programme 2007-2013	29
Table 5: Priorities in the Syddanmark-Schleswig-K.E.R.N. programme 2007-2013 ...	33
Table 6: Priorities of the Fehmarn Belt programme 2007-2013.....	36
Table 7: Priorities of the Central Baltic Programme 2007-2013.....	40
Table 8: Priorities of the South Baltic programme 2007-2013.....	44
Table 9: Priorities of the Baltic Sea Region Programme 2007-2013	47
Table 10: Priorities in the Northern Periphery programme 2007-2013	51
Table 11: Priorities in the North Sea programme 2007-2013.....	55
Table 12: Priorities and sub-priorities of each of the 11 ETC programmes 2007-2013 categorized to reflect the 11 themes	60

Preface

Transnational and cross-border cooperation play a central role in EU Cohesion Policy. The European Territorial Objective, one of three overall objectives of EU Cohesion Policy, and the cross-border and transnational programmes initiated to reach this objective and funded by the European Regional Development Fund (ERDF) have had an important impact on cooperation, exchange and networking across borders in the Nordic countries.

In the new EU programming period 2014-2020, there will be a greater demand for thematic concentration within the cross-border and transnational programmes. In March 2012, the European Commission presented a Staff Working Document on elements for a Common Strategic Framework (CSF) for the preparation of the coming programming period. The European Commission calls for a closer coordination between the five different EU funds. Each of the CSF Funds shall support a limited number of thematic objectives in order to contribute to the Europe 2020 strategy for smart, sustainable and inclusive growth.

Nordregio was commissioned by the Nordic Committee of Senior Officials for Regional Policy

(EK-R), to develop a method which could facilitate the selection of themes and ensure territorial added value in the coming programming areas involving the Nordic countries.

The report was written by Lisa Hörnström, Lisa Smed Olsen and Lisa Van Well. All the maps, graphs and tables were made by Johanna Roto, Linus Rispling and Mitchell Reardon. The authors would like to thank the members of the Nordic EU network under EK-R who have commented and provided most valuable inputs on draft versions of the working paper. Furthermore, the authors would like to thank Ole Damsgaard for his comments and advice during the working process.

Stockholm November 2012

Harry Ekestam
Ministry of Employment and the Economy, Finland
and Chair of the Nordic EU network under EK-R

Ole Damsgaard
Director
Nordregio

I Introduction

Background: preparation for the future programming period 2014-2020

On 6 October 2011 the EU Commission presented the legislative package for the coming programming period, comprising a general regulation with common provisions for the five Common Strategic Framework (CSF) Funds as well as a European Regional Development Fund (ERDF) regulation, a European Social Fund (ESF) regulation and a European Territorial Cooperation (ETC) regulation. On 14 March 2012 the Commission presented a Staff Working Document on elements for a Common Strategic Framework (CSF) for the preparation of the coming programming period 2014-2020.¹ During Fall 2012, all documents are still being negotiated in the Council and in the European Parliament. National and regional authorities have started drafting new programmes and their partnership contracts with the EU commission on the basis of the draft documents.

In the new programming period, a greater thematic concentration within the programmes will be required. Each CSF Fund shall support the following thematic objectives in accordance with its mission in order to contribute to the Union strategy for smart, sustainable and inclusive growth:

1. Research, technological development and innovation
2. Information and communication technologies
3. Competitiveness of SMEs
4. Shift towards a low-carbon economy
5. Climate change adaptation and risk prevention and management
6. Protecting the environment and promoting resources efficiency
7. Sustainable transport and removing bottlenecks in key network infrastructures
8. Employment and support labour mobility
9. Social inclusion and combating poverty
10. Education, skills and life-long learning

11. Institutional capacity and an efficient public administration

Transnational and cross-border cooperation play a central role in EU cohesion policy. The territorial cooperation programmes (ETC or INTERREG programmes) funded from ERDF will continue to be an important part of EU Cohesion Policy in the coming programme period 2014-2020.

According to article 5 of the draft ETC regulation², up to four thematic objectives (out of the 11 listed above) shall be selected for each cross-border and transnational cooperation programme. In the negotiations, some flexibility may be added to this basic rule.

The priorities of transnational and cross-border programmes will need to be coordinated both on national level between the territorial programmes and the national programmes and across national borders in relation to each of the programming areas.

While there is a need now for streamlining thematic strategies and priorities, programmes also must be adaptive to some of the general trends in regional development and Cohesion Policy. These include the movement from aligning programmes to the Lisbon and Gothenburg Agendas, to a focus on supporting the strategic priorities of Europe 2020 for smart, sustainable and inclusive growth. All of the Nordic and Baltic programmes must also take into consideration how potential flagship projects will work to implement the EU Strategy for the Baltic Sea Region (EUSBSR). In addition, the financial crisis has affected regions in different ways, through austerity packages, devolution of currency or a halt to the strong growth rate seen in many of the former “new” member states in the Baltic Countries.

The process of concentrating resources, while at the same time coordinating actions with a number

¹ Commission Staff Working Document (2012), Elements for a Common Strategic Framework 2014 to 2020, Brussels, 14.3.2012

² COM (2011), Proposal for a regulation of the European Parliament and the Council on specific provisions for the support from the ERDF to the ETC goal, 661 final/2, 2011/0273 (COD), Brussels.

of strategies and other funding programmes, makes the added value of the impact of cross-border and transnational cooperation programmes even more vital

than ever. Thus through this assignment guidelines will be set up that programme areas can use to concentrate their resources and priorities within the ETC Objective.

Aim of the study

The aim of this study to assist in the programming phase with a particular focus on the enhanced thematic concentration of the coming programming period. The ambition of the analysis is forward looking and it takes into account the 11 themes and the required concentration to four themes in the future ETC programmes. The study takes the current programme areas and programmes as a starting-point but it is important to highlight that in the study, we also aim at looking “beyond” the current programmes and consider added value of cross-border

and transnational cooperation in a more overall sense. A guideline structure will be developed in order to facilitate the selection of thematic objectives which may ensure cross-border added value in the coming programming areas involving the Nordic countries. In addition to developing a guideline structure, the analysis will identify areas that need a more in-depth analysis to prepare for the programming process.

The project is based on a combination of desk research and analysis of statistical material.

Disposition of the report

In Chapter 2 of the report the concept of ‘added value’ will be outlined and discussed. We will also operationalize the idea of added value in territorial cooperation programmes by synthesizing policy debates, evaluation experience and theoretical analysis of added value, transnational learning and transnationality.

In Chapter 3 the Nordic and Baltic ETC programmes under the current programme period 2007-2013 will be described and analyzed. Each programme will be described separately and it will contain both a regional profile of the programme area and a description of the programme and their priorities. The

regional profiles will describe key characteristics of each of the programme areas, such as population, education level, economic structure, commuting patterns etc. In addition, we will describe particular trends and developments apparent during the programme period.

In Chapter 4 the two previous chapters will be linked to examine how potential added value of projects can be coordinated with the regional characteristics and challenges and the existing priorities and trends in the 2007-2013 programmes. Here we will propose a guideline structure in order to facilitate the selection of thematic objectives.

II 'Added value' in European Territorial Cooperation Policy

The notion of Community 'added value' is being used to prioritise and justify the expenditure on EU Cohesion Policy. The 'added value' of a policy involves a discussion of the need for such an intervention, i.e. its rationale and relevance, and its effectiveness in reaching its stated objectives. The European Commission defines added value as:

*"Value resulting from the Community assistance that is additional to that which would have been secured by national and regional authorities and the private sector"*³

Thus in this study, which seeks to aid programming authorities in streamlining priorities, the notion of added value and the related notion of transnationality are important concepts by which to help evaluate how priorities can be chosen. As territorial cooperation funding becomes concentrated to a few niched priorities, these notions are even more essential to ensure that the priorities add value and a transnational element, as compared to other types of funding mechanisms.

The concept of added-value has been widely discussed in the cross-border and transnational programmes, particularly in connection with the *ex-ante* evaluation process, as it seeks to ascertain the potential outcomes and impacts of cohesion policy expenditure. Bachtler and Taylor⁴ have earlier defined added value as "*Something which has been enabled or which would not have been done, without Community assistance*"⁵. Further Bachtler et al. ⁶ have identified several types of added value in connection with Cohesion Policy. These include:

- *Cohesion added value*: with regard to the net macro-economic effect on Europe
- *Political added value*: in terms of making a territory more politically visible
- *Policy added value*: for integrating a strategic dimension in programme outcomes
- *Operational added value*: incorporating forms of vertical and horizontal governance

³ Mairate, A. (2006), "The 'added value' of European Union Cohesion Policy", *Regional Studies*, 40, 2, p.168.

⁴ Bachtler J. and Taylor, S. (2003), "The Added Value of the Structural Funds: A Regional Perspective", IQ-Net Thematic Paper on the Future of the Structural Funds, Glasgow.

⁵ Ibid, p.9

⁶ Ibid.

- *Learning added value*: promoting learning and innovation via programmes

One of the risks of thematic concentration of priorities is that programmes may be in danger of losing an integrated territorial dimension. Thus to the list above, and more specifically with regard to the Nordic potential added value of European Territorial Cooperation (ETC) programmes we would add one more type of added value:

- *Territorial added value*: Specifically targeting the territorial specificities of the programme areas (and in the Nordic context) and contributing to a greater territorial cohesion of the programming area.

In this sense, *territorial added value* would highlight the importance of bringing in the Nordic territorial dimension to justify Structural Fund spending and priority allocation.

In this study, we aim to identify an approach which may facilitate the process of making an informed selection of four themes in each programming area which, relative to the remaining seven potential themes, lead to the highest degree of cross-border or transnational 'added value'. From existing conceptions of 'added value', we may derive that:

- The selected themes should to a high extent be additional to what would otherwise be secured by national and regional authorities and the private sector by the individual regions involved in the ETC programme.
- The selected themes should demonstrate potential for and benefit of organisational and policy learning through cross-border/transnational cooperation.

In order to make an informed analysis of the existing ETC programmes involving the Nordic countries, it is necessary to further operationalize the concept of 'added value' in the context of cross-border/transnational cooperation.

Operationalizing 'added value' in territorial cooperation

Although scant, the existing literature on 'added value', does offer some hints as to how to approach the concept in practical terms. Colomb⁷ proposes a bottom-up evaluation framework for the analysis and conceptualisation of learning processes in transnational cooperation networks. A main purpose of developing the evaluation framework is to suggest changes to the existing evaluation approaches and methodologies to place learning at the centre of the monitoring and evaluation process.⁸ Colomb introduces a five step process, including:

1. establishing a rationale for types of transnational cooperation,
2. recording and evaluating the learning process,
3. establishing channels for individual learning to become organisational learning,
4. linking learning processes to outcomes and impacts, and
5. extrapolating impacts at local level to the European level.

We find that step 1, establishing a rationale for types of transnational cooperation, is particularly relevant for the purposes of this study. In establishing the rationale for transnational cooperation between project partners, Colomb introduces two main factors which influence the nature and intensity of cooperation and learning: the geography of the project partnership, and the types of issues dealt with. The ESPON 2.4.2 study⁹ indicated that geographical closeness, comparable structures, spatial patterns and development challenges facilitate stronger cooperation, Colomb summarises the significance of geography as follows: "*certain regions cooperate more on certain themes, and certain themes lend themselves better to certain geographies of cooperation.*"¹⁰ In an analysis of the 'added value' of themes in ETC programme areas, geography is thereby an element which may be taken into consideration, i.e. the relative importance of spatial proximity in connection with a given theme.

Based on the conception of different types of rationales for cooperation, and literature on added value, we have synthesized four types of 'added value'

⁷ Colomb, C. (2007) The Added Value of Transnational Cooperation: Towards a New Framework for Evaluating Learning and Policy Change, Planning, Practice & Research, Vol. 22, No. 3, pp.347-372.

⁸ Ibid.

⁹ ESPON and Bundesamt für Bauwesen und Raumordnung (2006) ESPON project 2.4.2: Integrated analysis of Transnational and National Territories Based on ESPON results, Final Report, ESPON Coordination Unit.

¹⁰ Ibid., p.358

which may result from territorial cooperation projects:

1. Organisational and policy learning
2. Solutions to, or progress towards, solving common problems
3. Mobilisation of critical mass
4. Building structures for further territorial cooperation

Organisational and policy learning

Good practice and learning through cooperation are effective mechanisms for spreading know-how and enhancing competitiveness. The 'added value' of much of territorial cooperation has been introduced as a result of *organisational and policy learning*, i.e. it emerges after a process of learning and change. Transnational learning implies that actors learn to work at new scales and in new types of networks in order to address certain issues of transnational importance better or they learn from other actors to address specific local or regional issues better.¹¹ Further studies have approached the concept of transnational learning processes in INTERREG projects¹² in light of how learning occurs among the networks of partners. Studies of projects have shown that through exchange various types of knowledge transfer can occur, including methods and good practice, models and data, expertise and measures or ideas and visions.¹³

Solutions to common problems

Exchange of knowledge and experience is always present in INTERREG programmes and projects, but this exchange can become even more vital when it is focused on finding solutions to common problems. Colomb¹⁴ introduces two types of issues in project

¹¹ Colomb, C. (2007) The Added Value of Transnational Cooperation: Towards a New Framework for Evaluating Learning and Policy Change, Planning, Practice & Research, Vol. 22, No. 3, pp.347-372.

¹² Böhme, K., Josserand, F., Ingi Haraldsson, P., Bachtler, J., Polverari, L. (2003) Trans-national Nordic-Scottish Co-operation: Lessons for Policy and Practice, Nordregio Working Paper 2003:3, Stockholm; Hachmann, V. (2008), "Promoting Learning in Transnational Networks", disP 172, 1, pp.11-20; Lähteenmäki-Smith, K., Dubois, A. (2006), *Collective Learning through Transnational co-operation: The case of INTERREG IIIB*, Nordregio Working Paper 2006:2, Stockholm.

¹³ Van Well, L., Lange, S., Tepecik Dis, A., Kunert, L. (forthcoming), Transnational cooperation and learning on climate change adaptation in the Baltic Sea Region

¹⁴ Colomb, C. (2007) The Added Value of Transnational Cooperation: Towards a New Framework for Evaluating Learning and Policy Change, Planning, Practice & Research, Vol. 22, No. 3, pp.347-372.

partnerships, whereby there can be added value in cooperation:

- A *transnational issue* affects a transnational area across regions and borders, which cannot be tackled adequately at the local, regional or national level. An example may be environmental pollution which requires transnational cooperation.
- A *common issue* is faced by several cities and regions which could be or has been tackled at the local, regional or national level, but for which transnational cooperation would bring more innovative solutions through exchanges of good practice, transfer of knowledge and expertise, and common projects/activities.

In both of these cases, transnational and cross-border cooperation brings added value, by encouraging local and regional actors to “think outside of the box” and in mobilizing political engagement for such issues.

Generating critical mass

According to a proposal for a regulation on specific provisions for the support from the ERDF to the ETC goal, European territorial cooperation is of particular value for several reasons, including that cooperation can ensure economies of scale and the achievement of critical mass. It involves pooling of resources in order

to create common potential in a specific area. This is seen more specifically in projects and programmes which attempt to mobilise a critical mass for the development of a new product or service. This aspect of added value may be of particular importance in the Nordic countries which contain some very sparsely populated areas.

Building transnational structures for future cooperation and further cohesion

As a related concept, “transnationality” also plays an important role in the cross-border or transnational added value of territorial cooperation projects. Like the concept of added value, “transnationality” seeks to find new solutions to existing problems through exchange of knowledge and experience, but it also goes further to institutionalize the practices by laying the foundation for future cooperation and strengthen cohesion of a transnational area.¹⁵ This includes both administrative and institutional structures, but also even physical concrete structures of a permanent nature (such as a bridge). These structures are important added value aspects of cooperation as they facilitate continuity of the lessons learned from previous projects and other cooperation forms (such as Euroregions etc.). They also bring in the territorial dimension in light of strengthening cohesion of the area and addressing issues that are territorial in nature.

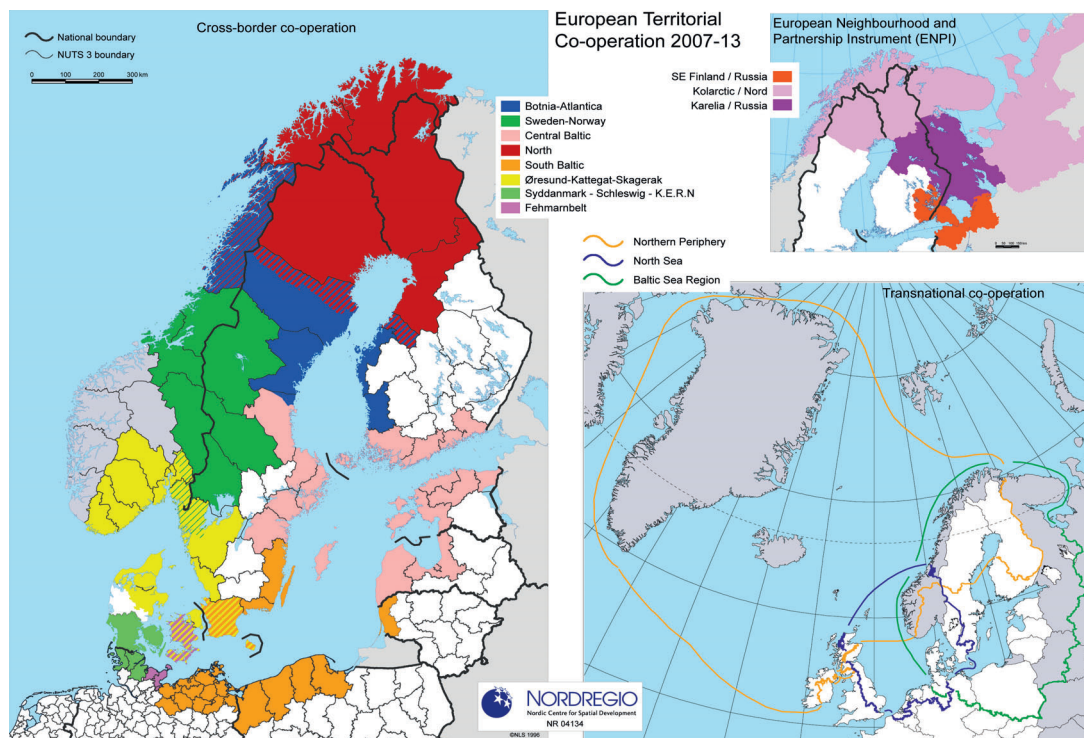
¹⁵ North Sea region Fact Sheet No. 1

III Current programme period 2007-2013

In the following chapter the Nordic/Baltic cross-border and transnational programmes as well as the areas they cover (see figure 1) will be described and analyzed. It is important to bear in mind that this study will not evaluate the programmes, it will only present an overview of each of the programmes. This study does not allow for any more in-depth studies of each of the programme areas. The overview is divided into two parts; 1) providing a regional profile of the programme area and 2) describing the aim, prioritized areas and implementation of the programmes. The regional profiles of the 11 programme areas include basic characteristics of the area such as population, education level, economic structure, commuting and accessibility across borders. The indicators used in the regional profiles will also – to some extent - relate to the 11 themes set up in the CSF. The profiles are based

on existing maps that have been produced and analyzed at Nordregio (see Appendix) as well as Nordregio reports and working papers. Information and data is also collected from other sources such as Operational Programmes, SWOT-analysis, ex-ante evaluations and final evaluations delivered from the 11 programmes. The information on commuting between the Nordic countries has been collected from *Nordisk pendlingskarta 2011*.¹⁶ The descriptions of the programmes are based on Operational programmes, SWOT-analysis, ex-ante evaluations, mid-terms evaluations, annual reports and final evaluations. The aim of this section is to give an overview both of the areas and the programmes to enable comparisons between them. It should serve as an input to the guidelines for selection of thematic objectives and added value of territorial cooperation presented in chapter 4.

Figure 1: European Territorial cooperation programme areas 2007-2013 in the Nordic Countries.



¹⁶ *Nordisk pendlingskarta* is published by the Nordic Council Ministers and has been published five times. The 2011 edition is based on statistics from 2008. Statistics from Finland is not included in the 2011 edition and therefore the information on commuting between Sweden and Finland is based on other sources (when the information is available).

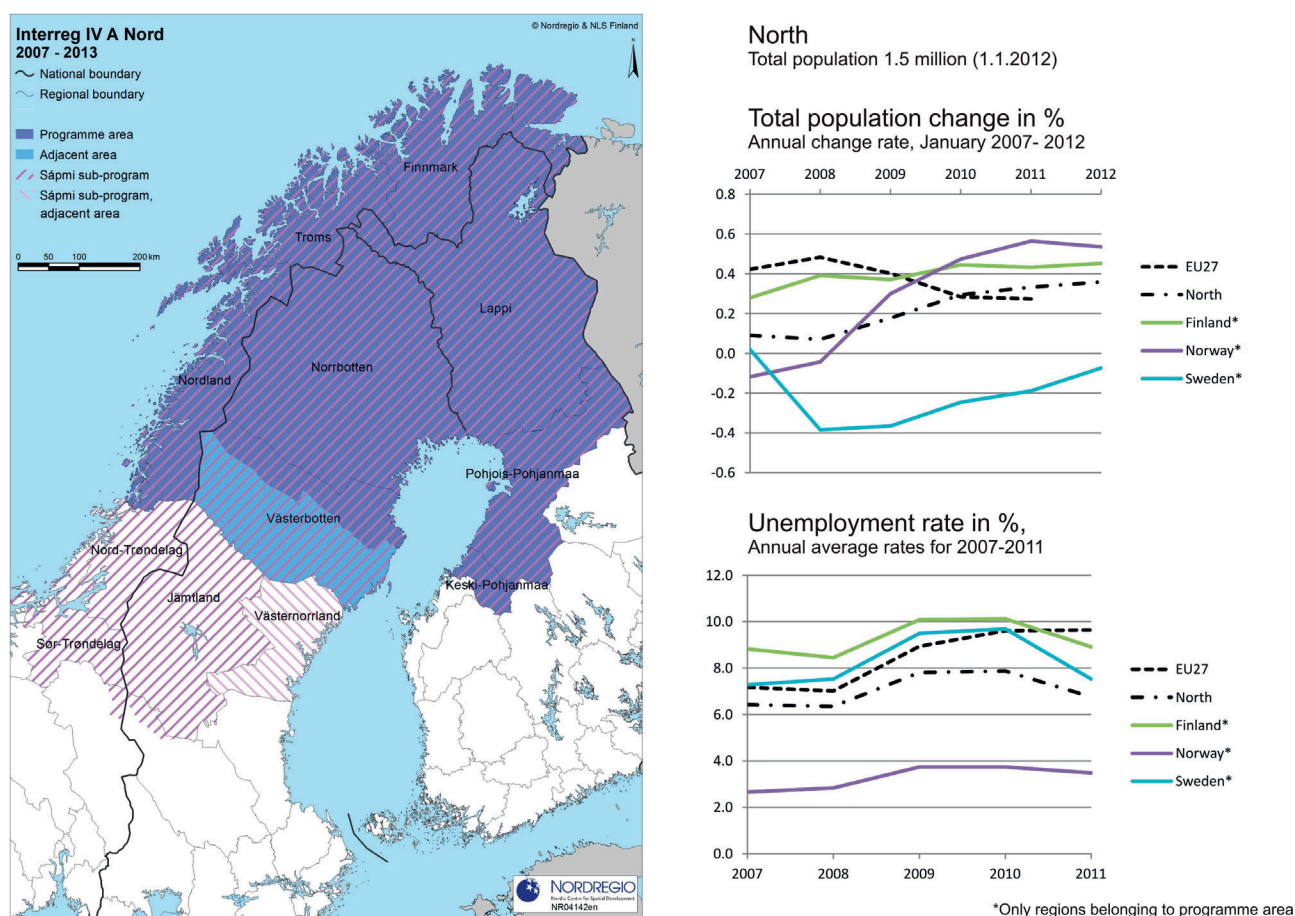
Cross-border cooperation programmes

NORD PROGRAMME

The Nord programme 2007-2013 covers Nordland, Troms and Finnmark counties in Norway, Norrbotten county in Sweden, Norsjö, Malå, Skellefteå and Sorsele municipalities in Västerbotten county in Sweden and Keski-Pohjanmaa, Pohjois-Pohjanmaa and Lappi

counties in Finland. A number of other municipalities are also eligible for funding from the programme. The Nord programme area is partly overlapping with the Botnia-Atlantica programme area.

Figure 2: Map of the Nord programme area and graphs displaying total population change in % from 2007-2011 and unemployment rate in % from 2007-2011 in the programme area.



Regional profile of the programme area

Population

The total population of the Nord programme area is 1.5 million people. The average population density of the area is 6.5 inhabitants/km² which is a low number both compared to the national averages of Norway, Finland and Sweden and especially compared to the rest of Europe. The population is concentrated to a few cities; Bodø and Tromsø in Norway, Umeå, Skellefteå and Luleå in Sweden and Oulu and Rovaniemi in Finland. In the upper graph displayed in figure 2 it is shown that the demographic development of the programme area

has been characterized by a small population increase from 2007 to 2012. The Norwegian part of the area has had a stronger population increase than both the Finnish and the Swedish parts. If we look at the municipal level many Swedish and Finnish municipalities in the programme area have had a population decrease both due to low birth rates and due to people moving from the region. In Norway, the structure is more diverse, with municipalities like Bodø, Tromsø and Alta that

have had an increasing population during the period.¹⁷ The gender structure in most parts of the programme area is relatively unbalanced with a surplus of men.¹⁸

Education and labour market

The level of education tends to be higher in the Norwegian part of the programme area than in Finland and Sweden. There are large differences between different parts of the whole programme area as a whole, the largest share of the population with higher education typically found in towns with universities or university colleges.¹⁹

The unemployment level is higher in the Swedish and Finnish parts of the programme area than in Norway. The lower graph in figure 2 shows that the unemployment rate increased in the whole programme area between 2008 and 2009 as a consequence of the economic crisis but it started to smooth out in 2010 and has even decreased in 2011.

The issue of provision of labour is crucial and will potentially be challenging to a large part of the programme area. The question is whether there will be enough young people entering the labour market to replace those who will retire in the coming years. Many parts of the Finnish side of the programme area have a low number of persons aged 15 to 24 years compared to those aged 55-64 years. This implies that the lack of young people entering the labour market must be compensated by in-migration to these areas. Swedish municipalities within the programme area have a slightly more favourable situation but it is still indicating that there will be a lack of people in active age in the coming years. When it comes to Norway the situation is more favourable and several municipalities have a surplus of people in the young age group compared to those in the older age group.²⁰

Economic structure and innovation

The programme area's GDP per capita in purchasing power standards is above the EU27 average in the Norwegian and Swedish part of the programming area with index 100-125, whereas it is slightly below with index 75-100 on the Finnish side.²¹

The public sector (e.g. health care, education and other welfare services) is the most important employer in many parts of the area. In the Swedish and Finnish parts of the area mining and forestry are traditionally

dominating the economy. The mining industry has also experienced a renaissance in recent years and several new mines will open in the coming years. In Finnmark, Troms and Nordland in Norway fishing industry plays – at least to same extent – the same role as mining and forestry in north Sweden and Finland.²² In addition, several new fields for extraction of oil and natural gas have been opened in the Barents Sea outside the Norwegian coast.

Reindeer herding is a traditional source of income in the Sami community within the programme area and still is of crucial importance to the community. Tourism is another branch of importance to the region, especially wildlife tourism and destinations such as Santa Claus village in Rovaniemi in Finland and the Ice hotel in Jukkasjärvi outside Kiruna in Sweden.

There are several higher education institutions within the programme area; University of Oulu, Luleå University of Technology and University of Tromsø being the three largest ones. Generally in the Nord programme area, the number of persons employed in high technology and R&D companies is low. The R&D expenditure is mainly concentrated to the universities in Finland, while the expenditure is lower in the Norwegian and Swedish parts, but in return the share of business enterprises expenditure is higher than for universities. The R&D intensity, i.e. the total R&D expenditure as a share of GDP, is highest in the Finnish part of the programme area with over 4%, and lowest in the Norwegian part of the programme area with 0.5-1%.²³

Commuting patterns, infrastructure and accessibility across national borders

The daily commuting across borders within the programme area is limited and is mostly concentrated to the Tornedalen region between Finland and Sweden. In 2006, 530 persons commuted on a daily basis between Haparanda and the Torneå-Kemi-region²⁴. There are no more recent numbers between Finland and Sweden since Finland is not included in the most recent edition of Nordisk pendlingskarta. Due to new mining activities both in Sweden and Finland commuting across the border is likely to increase in the coming years.

The infrastructure both within the regions and across national borders is relatively poor in the programme area. The main roads are E4 from Luleå to Oulu (and onwards) and the E10 from the Swedish coast to Lofoten in Norway. The railway from Luleå in Sweden to Narvik in Norway is of crucial importance for the transportation of iron ore from the mines in Kiruna

¹⁷ See map 2 in Appendix.

¹⁸ See map 1 in Appendix.

¹⁹ Higher education is here defined as Tertiary Level Education; the percentages presented is the total number of persons qualified to ISCED level 5-6 as a share of persons 25+ years in 2010. See map 3 in appendix and Lindqvist et al., 2011.

²⁰ See map 5 in Appendix.

²¹ See map 12 in appendix

²² Interreg IVA Nord 2007-2013, Operationellt program

²³ See map 13 in appendix

²⁴ Nordiska Ministerrådet, Nordisk pendlingskarta, 2009, <http://www.norden.org/sv/publikationer/publikationer/2009-555>

and Gällivare-Malmberget to the harbours in Luleå and Narvik. New mining activities also put focus on the need of better transport links from Finland and Sweden to the Norwegian coast.

Share of renewable energy

Due to the natural resources of the area that for example support the production of hydro power, the share of renewable energy sources in electricity production is high in the programme area. Hydropower is dominating the production in Nordland in Norway with 100%, whereas in Finnmark there is also a small share of wind energy. Hydropower is also dominating in the other parts of the programme area. In Lapland in Finland a relatively high share of electricity is produced based on

conventional thermal, and in Pohjois-Pohjanmaa there is both conventional thermal and other renewables.²⁵

Description of the programme

The INTERREG IVA Nord programme is composed of the main programme Nord and the sub-programme Sápmi. During the previous programming period 2000-2006 the INTERREG IIIA Nord programmes comprised three sub-programmes Nordkalotten, Kolarctic and Sápmi. Kolarctic was for the period 2007-2013 transferred to the European Neighbourhood and Partnership Instrument (ENPI).

The priorities of the North programme are presented in table 1.

Table 1: Priorities of the North programme 2007-2013

Priority 1. Business development	Priority 2. Research, development and education	Priority 3. Regional functionality and identity	Priority 4. Sub-programme Sápmi – borderless development
----------------------------------	---	---	--

The first priority area is an overall priority and therefore the main part of the resources should be allocated to this priority. Within priority 1 Business development, seven strategic development areas have been identified:

1. Cooperation between the base industry and SMEs
2. ICT industry
3. Creative industry and tourism
4. Development of renewable energy and cleantech
5. Car test industry
6. Technology, services and products within sustainable energy systems
7. Development of the service sector

Priority 2 and 3 should support the first priority. Priority 4 is in effect a sub-programme which takes the special conditions and characteristics of Sami cooperation within the area into consideration.

Developments during the programme period

The programme INTERREG IVA Nord 2007-2013 has been evaluated and the final report of the evaluation was delivered in May 2012.²⁶ The evaluators particularly focused on research and development and the creation of cross-border innovation system within the

programme area. The evaluation shows that the overall impression is that companies are well represented in the projects. It is also stated in the evaluation that the Nord programme has a clear focus on developing the innovation system in the region and that cross-border cooperation is an important tool to realize this.

The projects aiming at developing the base industry and especially the link to SMEs have proved to be the most successful ones. It has however been more difficult to develop projects within the car test industry, identified as a strategic development area. This is primarily due to the competition situation within the car testing between Sweden and Finland.

The strong development within the mining sector from 2010 and onwards have also affected the implementation of the programme. The mining industry was not identified as a strategic development area in its own right. It has for example been possible to fund projects within education to meet the needs of the mining industry.

Summary of the Nord programme

Based on the regional profile and description of the programme the key characteristics of the Nord programme area and the priorities of the programme are summarized in the box below:

²⁶ På väg mot ett gränsöverskridande innovationssystem i Nord, slutrapport från utvärderingen av INTERREG IVA Nord, Kontigo, maj 2012

²⁵ See map 7 in appendix.

Nord programme area

Regional potentials and challenges

- Low population density and long distances
- Slight population increase in the area as a whole but many municipalities outside the urban areas experience population decrease
- Unemployment levels higher in Swedish and Finnish parts, increase in unemployment rates between 2008 and 2009 but decrease in unemployment rates in 2011
- GDP above EU27 average in Norway and Sweden, but slightly below on the Finnish side
- Important sectors are forestry and mining (SE+FI) and fisheries (NO), new opportunities for exploitation of oil and natural gas (NO)
- R&D intensity is highest in the Finnish part and lowest in the Norwegian part
- Some commuting, but need for better infrastructure
- Strong renewable energy profile - hydropower

Prioritised areas of the 2007-2013 programme period

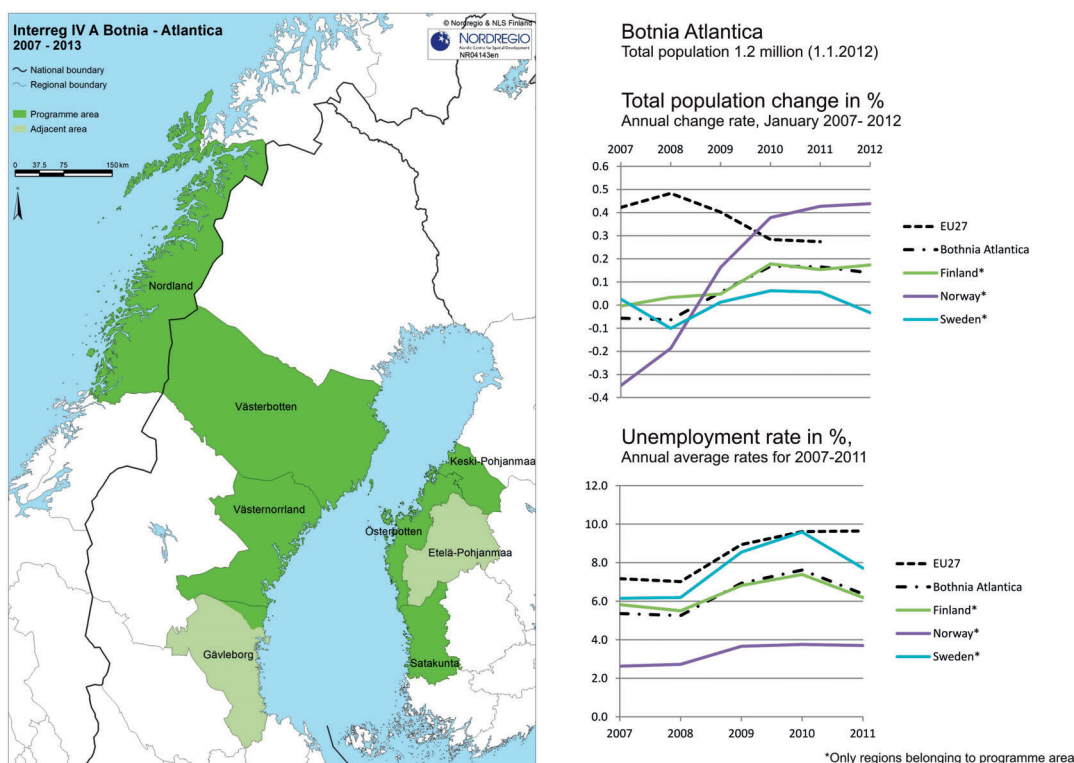
- Business development
- Research, development and education
- Regional functionality and identity
- Sub-programme Sápmi – borderless development

BOTNIA-ATLANTICA

The Botnia-Atlantica programme area covers the counties of Västerbotten and Västernorrland and Nordanstig municipality in Sweden, Nordland County in Norway and Keski-Pohjanmaa, Satakunta and

Pohjanmaa (Österbotten) in Finland. Gävleborg County in Sweden and Etelä-Pohjanmaa in Finland are adjacent areas. The Botnia-Atlantica programme area is partly overlapping with the North programme area.

Figure 3: Map of the Botnia-Atlantica programme area and graphs displaying total population change in % from 2007-2012 and unemployment rate in % from 2007-2011 in the programme area.



Regional profile of the programme area

Population

The total population of the programme area is 1.2 million people and the population density is 9 inhabitants/km². The upper graph in figure 3 shows that the general demographic development of the programme area has been characterized by a small increase in population from 2007 to 2012. There are however large differences between different parts of the area. In Västerbotten in Sweden and in Pohjanmaa in Finland there has been population increase both due to a relatively high birth rate and due to positive net migration. In Nordland (Norway) and Keski-Pohjanmaa (Finland) there have also been a population increase but the net migration is still negative. The natural population change, i.e. surplus of births compensates however for the negative net migration. In Satakunta (Finland) the population has decreased both due to a negative natural change and to out-migration.²⁷ The gender structure in most parts of the programme area is relatively unbalanced with a surplus of men. There are however some municipalities in the area that have a more balanced situation, for example Umeå and Vaasa.²⁸

Education and labour market

In Västerbotten (Sweden) and Nordland (Norway) the share of the population with higher education is 25-30%, whereas in Västernorrland, Satakunta and Keski-Pohjanmaa the share is between 20-25%. The highest share of the population with higher education is in Pohjanmaa with over 30%. Compared to most other counties in Sweden, Västerbotten has a higher share of the population with tertiary level education. There are large differences within the counties as well. The highest share are typically found in cities with universities; Vaasa, Umeå and Bodø.²⁹

When it comes to the effects of the economic crisis the whole programme area experienced an increase in unemployment between 2008 and 2009. Since 2010 the unemployment rate has increased in the programme area as a whole (see lower graph in figure 3).

Västerbotten is the region within the area with the highest numbers of persons aged 15-24 years as a share of those aged 55-64 years.³⁰ It indicates that Västerbotten potentially has the best situation when it comes to being able to replace those who retire in the coming years but it is important to note that there are large differences between the municipalities in Västerbotten. In Nordland (Norway) and Pohjanmaa

(Finland) the situation looks favourable whereas the situation is more challenging in Satakunta, Keski-Pohjanmaa and Västernorrland.³¹

Economic development and innovation

In the programme area, GDP per capita in purchasing power standards is above the EU27 average in most of the programming area with index 100-125, whereas it is slightly below with index 75-100 in the region of Satakunta.³²

The economy is in many parts of the programme area based on forestry and mining activities. The primary production is still the dominant production in many local labour markets in the Finnish part of the area and in coastal communities in Norway (fishery). Production of bioenergy has become a more important branch within the area.

There are several universities within the programme area; Umeå University is the largest one but there are also important universities in Vaasa, Bodø and Sundsvall/Östersund. The R&D expenditure is mainly concentrated to the universities in Finland, while the expenditure is lower in the Norwegian and Swedish part of the programme area, but the share of business enterprises expenditure is higher than for universities. The R&D intensity, i.e. the total R&D expenditure as a share of GDP, is highest in the Finnish part of the programme area with over 4%, and lowest in the Norwegian part with 0,5-1%.³³

Commuting, infrastructure and accessibility across national borders

There is a limited number of people commuting across the borders in the Botnia-Atlantica programme area; in 2009, 154 persons in Västernorrland and Västerbotten (Sweden) commuted to Nordland (Norway) and only 3 persons commuted from Nordland to Västerbotten. Long distances and/or long traveling times (e.g. Umeå-Vaasa) limit the possibilities for daily commuting across the borders.³⁴

There is one main highway crossing the area, E12 that goes from Mo-i-Rana in Norway to Helsinki in Finland. Between Umeå in Sweden and Vaasa in Finland there is a daily ferry connection. The ferry link is crucial for the accessibility between Finland and Sweden. When it comes to the border between Sweden and Norway, the roads go through the mountain areas imposing problems for accessibility during winter time.

²⁷ See map 2 in Appendix.

²⁸ See map 1 in Appendix.

²⁹ See map 3 in Appendix.

³⁰ See map 5 in Appendix.

³¹ Ibid.

³² See map 12 in appendix

³³ See map 13 in Appendix

³⁴ StatNord, Nordisk gränsregional statistikdatabas, www.statnord.org

Share of renewable energy

In Nordland hydropower is the only energy source used for generation of electricity. In Västerbotten and Västernorrland hydropower is dominating but there is also a smaller share of bioenergy in these regions. There is some variation between the Finnish regions where in Österbotten electricity is mainly produced from conventional thermal and approx. one third from hydropower and other renewables. In Keski-Pohjanmaa approximately two thirds of the electricity production is derived from other renewables, e.g. bioenergy, a small share from wind energy, and the rest from conventional thermal. Satakunta bases the larger share of its electricity production on nuclear energy, while wind, other renewables, and conventional thermal together cover one third of the electricity production in the region.³⁵

Description of the programme

The Botnia-Atlantica area is, as described in the Operational Programme (OP), significantly more heterogeneous than the previous INTERREG IIA (1995-1999) and IIIA (2000-2006) Kvarken-MittSkandia area. The ambition of the programme is not to give the Botnia-Atlantica area the character of a functional region for which the same needs and solution models can be formulated, but to, in line with the two prioritised areas identified in the OP, start collaborating and potentially identify more areas during the programming period.

The objective of the Botnia Atlantica OP is “*to strengthen the east-western dimension and in the long-term contribute to increased integration and cooperation for stronger growth and sustainable development.*” The programme has two prioritised areas, each with three focus areas.

Table 2: Priorities of the Botnia-Atlantica programme 2007-2013

Priority 1. Structures for collaboration	Priority 2. Growth through collaboration
Environment	Competence
Infrastructure and public transport	Business community
Cohesion	Society

Priority 1 involves the part of the programme strategy that stresses that cohesion between the regions should increase through cross-border development of infrastructure and public transport, natural and cultural environment, and the cultural linkages. Priority 2 involves the part of the programme strategy that stresses that cross-border collaboration strengthens innovative forces which improve competences and competitiveness within the business community and development of society.

During 2011 initiatives were taken in the programme to increase the number of applications within “infrastructure and public transport” and “environment”. These initiatives were successful and the number of applications within these two areas increased during 2011. At the end of 2011, the number of projects granted funding within “business development” was low compared to the expected number of projects and therefore the intention was to take initiatives during 2012 to encourage application within this area.³⁷

Developments during the programme period

At the end of 2010, most projects had been granted funding within the areas of “cohesion”, “competence” and “business development”, while less funding has been spent on the areas of “infrastructure and public transport” and “environment”.³⁶

Summary of the Botnia-Atlantica programme

Based on the regional profile and description of the programme the key characteristics of the Botnia-Atlantica area and the programme are summarized in the box below:

³⁵ See map 7 in Appendix

³⁶ Årsrapport för Botnia-Atlantica-programmet 2007-2013 (2010).

³⁷ Årsrapport för Botnia-Atlantica-programmet 2007-2013 (2011)

Botnia Atlantica programme area

Regional potentials and challenges

- Low population density and long distances
- Slight population increase in the area as a whole but large differences between different municipalities
- The whole programme area experienced an increase in unemployment between 2008 and 2009.
- GDP above EU27 average with the exception of Satakunta
- Important sectors are forestry and mining (SE+FI) and fisheries (NO), and increasingly production of bioenergy (SE+FI)
- R&D intensity is highest in the Finnish part and lowest in the Norwegian part
- Commuting is limited, poor road infrastructure between Norway and Sweden
- Strong renewable energy profile – hydropower (NO+SE), bioenergy (SE+FI)

Prioritised areas of the 2007-2013 programme period

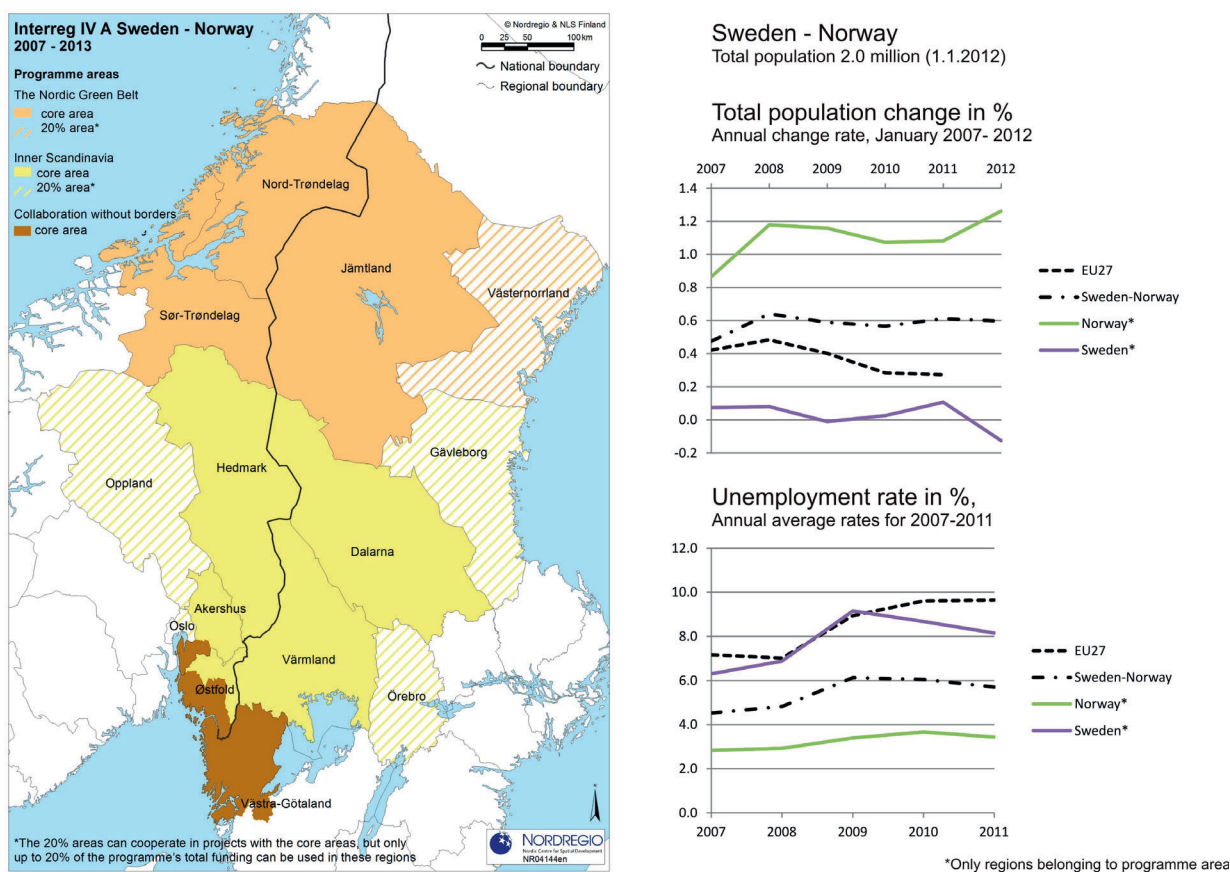
- Structures for collaboration (environment, infrastructure and public transport, cohesion)
- Growth through collaboration (competence, business community, society)

SVERIGE-NORGE PROGRAMME

The Sverige-Norge Programme covers Värmland, Dalarna and Jämtland counties in Sweden, Hedmark, Sør-Trøndelag and Nord-Trøndelag counties in Norway. Oslo-Akershus, Østfold in Norway and the northwest

part of Västra Götaland in Sweden are also included in the programme area. The programme overlaps geographically somewhat with the Öresund/Kattegat-Skagerrak (ÖKS) area.

Figure 4: Map of the Sverige-Norge programme area and graphs displaying total population change in % from 2007-2012 and unemployment rate in % from 2007-2011 in the programme area.



Regional profile for the programme area

Population

The total population of the programme area is 2.0 million. The population is unevenly distributed across the programme area. The largest cities are Trondheim in Norway and Östersund and Karlstad in Sweden. Other parts of the programme area, such as the northern parts of Värmland and Dalarna in Sweden have sparse population. The graph in figure 4 shows that there has been a small increase in population in the programme area as a whole. This is due to increasing population in the Norwegian parts of the area. The Swedish parts of the area have instead experienced an annual population change close to 0% from 2007 to 2010 and a decreasing (<0%) population in 2012.

When it comes to gender balance, the counties of Dalarna and Värmland in Sweden and Sør-Trøndelag in Norway have the lowest share of women (90-95 women per 100 men) within the programme area³⁸.

Education and labour market

The Swedish regions in the programme area have a share of persons with higher education between 20-25% of the population over 25 years but in Östersund and Karlstad, both towns with universities, the share is over 30%. The Oslo region and Sør-Trøndelag have a share over 30% and Hedmark and Nord-Trøndelag have a share ranging from 20 to 30%.³⁹

The graph in figure 3 shows that unemployment is higher in the Swedish part of the programme area. When it comes to the effects of the economic crisis on employment, the unemployment rate increased in the whole programme area between 2008 and 2009 but more in the Swedish parts than in the Norwegian parts of the area.

When it comes to potential labour-force in the coming years the situation tends to be most favourable in Sør-Trøndelag and the Oslo region with a surplus of young people whereas the situation is more challenging in Hedmark. In Nord-Trøndelag and in the Swedish part of the area the situation is relatively balanced.⁴⁰

Economic structure and innovation

The programme area's GDP per capita in purchasing power standards is the highest in Sør-Trøndelag with index 125-150. The rest of the programme area, with the exception of the county of Värmland which is slightly below the EU27 average, is indexed 100-125.⁴¹

The economy in many parts of the programme area is traditionally based on forestry. Agriculture still plays a more important role than the national average in both Sweden and Norway. The forest industry in for example Jämtland in Sweden has shifted from timber and manufactured wooden products to also involved the use of biomass to produce energy. The importance of traditional industries has however diminished and the service sector has become more and more important.

There are several universities within the programme area; Östersund, Karlstad and Trondheim. Trondheim has the most important technological university in Norway. R&D expenditure is low in the Swedish part of the programming area, where Jämtland followed by Dalarna and Värmland also in a national comparison have a low level of R&D expenditure. In the Norwegian part of the programme area, Nord-Trøndelag and Sør-Trøndelag have the highest degree of R&D expenditure in the programme area and the second largest in Norway with approx. half of the investments by universities and the other half by businesses. R&D investment in Hedmark is equally low as in Jämtland. The R&D intensity, i.e. total R&D expenditure as a share of GDP, is more than 4% in Nord-Trøndelag and Sør-Trøndelag combined. It is 1-2% in Dalarna and Värmland combined and 0.5-1% in Jämtland and Hedmark.⁴²

Commuting, infrastructure and accessibility across national borders

In the programme area the daily commuting across borders is relatively frequent. Most commuters live in Sweden and work in Norway. Especially in a number of municipalities in Värmland the number of commuters to close-by municipalities in Norway is relatively high.⁴³ The amount of Norwegians crossing the border to do their daily shopping on the Swedish side has dramatically increased in recent years because of the strong Norwegian currency. This cross-border shopping is a very important source of income for shop-owners on the Swedish side of the border and a large number of new shopping centres have been established close to the border.

The E6 crossing the area from Göteborg via Oslo to Trondheim is an important cross-border link. The railway connections between Göteborg and Oslo and the east-west railway between Östersund and Trondheim are also important cross-border links. The railway from Östersund to Trondheim is not least important for tourism to the ski resorts in the area.

³⁸ See map 1 in Appendix

³⁹ See map 3 in Appendix

⁴⁰ See map 5 in Appendix

⁴¹ See map 12 in appendix

⁴² See map 13 in Appendix.

⁴³ Nordisk pendlingskarta, 2011

Share of renewable energy

Hydropower is the dominating source for electricity production within the programme area. While Hedmark only uses hydropower, Nord-Trøndelag and Sør-Trøndelag also use a minor share of wind energy and conventional thermal. Jämtland mainly uses hydropower for electricity production⁴⁴, while Värmland and Dalarna also use other renewables, especially bioenergy for electricity production.⁴⁵

Description of the programme

The Sverige-Norge 2007-2013 programme covers a large area within the border regions of Sweden and Norway and is geographically quite diverse. The core area of the programme consists of three “regions” or sub-programmes: The Nordic Green Belt, Inner Scandinavia and Borderless Cooperation. The Nordic Greenbelt area is unchanged from the former INTERREG IIA programme. Inner Scandinavia has

been expanded since the last programme to also include the municipalities in Dalarnas län.

The Sverige-Norge Programme vision is “*to strengthen the attractiveness and competitiveness of the region through cross-border cooperation*”. The programme aims to strengthen the conditions for positive and endogenous development processes whereby individuals, as well as companies, organisations and authorities are able to actively work together to reach the programme vision. The programme further aims to develop an attractive border region for inhabitants and to attract new-comers and visitors to the region.

There are two priorities of the programme area. Priority 1 focuses on economic growth; meaning integration over the border, good accessibility, and measures to support the labour market and business opportunities. Priority 2 is focused on creating a good living condition for all inhabitants with regard to use of natural resources, services, culture and health.

Table 3: Priorities in the Sverige-Norge programme 2007-2013

Priority 1. Economic growth	Priority 2. An attractive living environment
Alleviating the border as a barrier	Natural resources
Development of companies, sectors and entrepreneurship	Culture and creativity
Competence development and R&D	Urban-rural development
Infrastructure development	Healthcare

In addition to the two prioritized areas there are a number of horizontal criteria for which the programme considers important to implement in all projects – cross-border value added, environmental aspects, gender equality and social diversity/integration.

Developments during the programme period

The majority of the projects approved in 2011 were within the area “development of companies, sectors and entrepreneurship.”

As seen in the 2010 Annual Report, the EU Strategy for the Baltic Sea Region (EUSBSR) is becoming more important for project implementation. While several projects can help to implement the EUSBSR, there are currently no flagship projects or sub-projects in the programme. The Monitoring Committee of the Sverige-Norge programme has determined that Priority area 11 of the EUSBSR (Internal and External Transport Links) is the only area where the programme can have a direct influence on the Strategy and that more projects within this priority should be supported.

⁴⁴ Read more about the potential of renewable energy in Mid Sweden (region including Västernorrland and Jämtland counties) in “Does Renewable Energy Provide New Rural Opportunities” Nordregio policy brief 2012:5, October 2012

⁴⁵ See map 7 in Appendix

Summary of the Sverige-Norge programme

Based on the regional profile and description of the programme we have summarized the key characteristics of the Sverige-Norge programme area and the programme in the text box below:

The Sverige-Norge programme area

Regional potentials and challenges

- Low population density except in the urban areas (Trondheim, Östersund, Karlstad)
- Positive population development in the Norwegian part between 2007 and 2012, in the Swedish part the population was relatively stable from 2007 to 2011 but has decreased in 2012.
- Higher increase in unemployment between 2008 and 2009 in the Swedish part than in the Norwegian part.
- GDP above EU27 average with the exception of Värmland
- Important sectors are forestry and agriculture, and increasingly the service industry
- R&D intensity is comparatively high in part of the Norwegian area due to the Norwegian University of Science and Technology in Trondheim
- Commuting is common mainly from SE to NO, good transport infrastructure
- Strong renewable energy profile – hydropower (NO+SE), bioenergy (SE), wind (partly NO)

Prioritised areas of the 2007-2013 programme period

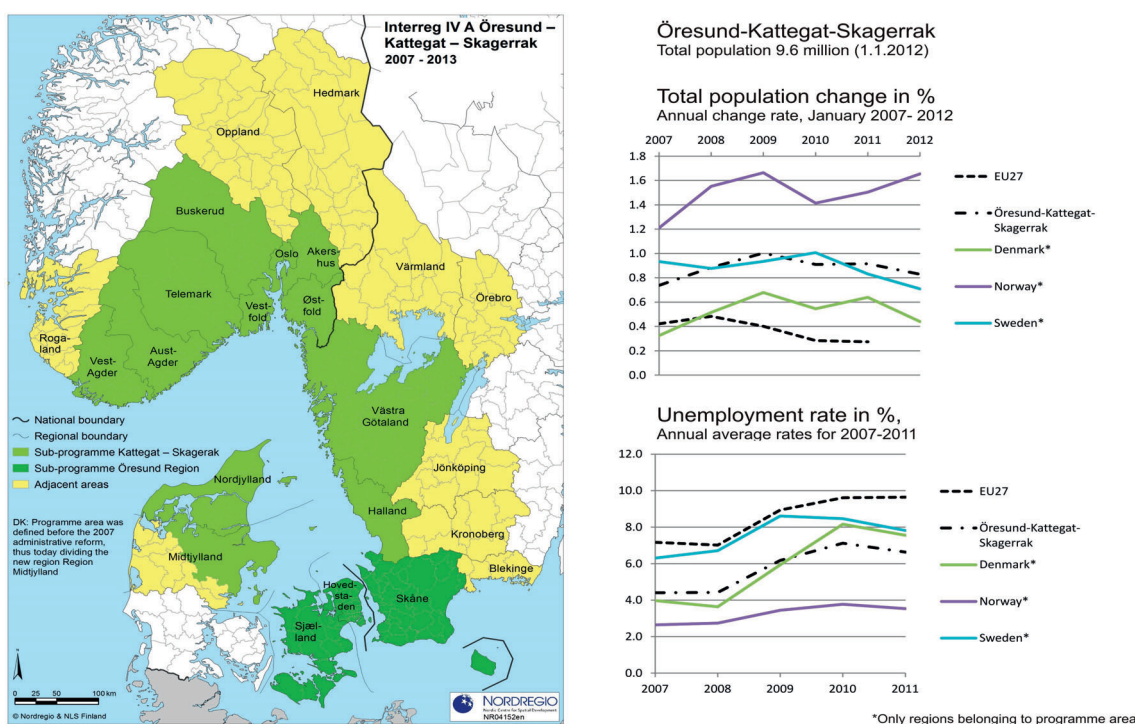
- Economic growth
- An attractive living environment

ÖRESUND-KATTEGAT-SKAGERRAK PROGRAMME

The current Öresund-Kattegat-Skagerrak (ÖKS) programme includes the Öresund region (Skåne in Sweden, and Region Hovedstaden and Region Sjælland in Denmark), as well as the regions of Västra Götaland and Halland in Sweden and Region Nordjylland and

parts of Region Midtjylland in Denmark. It also covers Østfold, Akershus, Oslo, Vestfold, Buskerud, Telemark, Aust-Agder and Vest-Agder in Norway. A number of counties in south Sweden and Norway are adjacent areas.

Figure 5: Map of the Öresund-Kattegat-Skagerrak programme area and graphs displaying total population change in % from 2007-2012 and unemployment rate in % from 2007-2011 in the programme area.



Regional profile for the programme area

Population

The ÖKS programme area has a total population of 9.6 million inhabitants and the average population density is 49 inhabitants/km². The population of the programme area is very unevenly distributed across the territory. The Öresund region including the Copenhagen region and Skåne has 3.7 million inhabitants and the population density is 170 inhabitants/km². The Kattegat-Skagerrak area is more rural and the population density is 58 inhabitants/km².⁴⁶ However, there are variations within the two sub-programmes, and the capital region of Norway is densely populated relative to the rest of the Norwegian part of the programme area. The upper graph in figure 5 shows that there has been an increase in population in programme area as a whole and the largest increase has been in the Norwegian part of the area.

The gender structure in the region is in general balanced but there are large differences within the area. Especially in the Copenhagen region and in some parts of Skåne there is a surplus of women.⁴⁷ Bornholm, some municipalities in North Jutland in Denmark and the inner parts of the Norwegian counties have however experienced a loss in population.⁴⁸

Education and labour market

In Region Nordjylland and Region Sjælland in Denmark the share of the population over 25 years old with higher education ranged from 15% to 25% in 2010. In Region Hovedstaden, Skåne and Akerhus and Oslo the share is over 30% while it is under 30% in the other Norwegian counties within the programme area. In Halland and Västra Götaland in Sweden the share of the population with higher education is between 25 and 30%.⁴⁹

In general, unemployment is lower in the Norwegian parts of the programme area than in the Swedish and Danish parts (see lower graph in figure 5). When it comes to the effects of the economic crisis on employment, the unemployment rate has increased in the Danish regions between 2008 and 2010. In the Swedish parts the unemployment rate increased between 2008 and 2009 but in 2010 the situation was more stable. In the Swedish part of the area unemployment increased the most in Västra Götaland because of the downturn in the automotive industry.

Economic structure and innovation

In the programme area, GDP per capita in purchasing power standards is the highest in the capital areas of Oslo and Copenhagen with index over 150. The Norwegian regions of Buskerud and Vest-Agder are indexed 125-150 (average EU27=100). The Swedish part of the programme area, the remaining part of the Danish capital region, the programme area of Jutland in Denmark, and the remaining part of the Norwegian programme area are indexed 100-125. Areas that are below the EU27 average with index 75-100 are Bornholm and region Sjælland in Denmark.⁵⁰

The programme area is also heterogeneous when it comes to economic structure. Region Hovedstaden and Skåne are dominated by finance and business services whereas manufacturing and primary production is dominating in Region Nordjylland.⁵¹ In the Norwegian part public and private services are dominating whereas the Swedish part has the largest share of industry production. The large share of industry production in Sweden is primarily due to the importance of the automotive sector in Västra Götaland.⁵²

Some of the most important universities both in terms of education, research and innovation in the Nordic countries are located within the area; e.g. Copenhagen University, Lund University, Oslo University and Chalmers University of Technology. In line with this, the expenditure on R&D is highest in the regions where these universities are based both by universities and private enterprises. R&D expenditure is highest in Region Hovedstaden, followed by Västra Götaland, Akershus, and Skåne. The major parts of private investments in research and development are made by high-technological companies and these are mainly located to the metropolitan parts of the area. Region Sjælland has a slightly higher expenditure than Region Nordjylland and Region Midtjylland which have a similar expenditure; however, the share for businesses is much higher in Midtjylland. The remaining part of the programme area of Norway and Halland in Sweden has the lowest level of R&D expenditure in the programme area.

The R&D intensity, i.e. the total expenditure on R&D as a share of GDP, is highest in Hovedstaden, Skåne and Västra Götaland with more than 4%. Sjælland, Nordjylland and Akershus have an R&D intensity of 3-4%, while the remainder of the programme area has an R&D intensity rate of 1-2%.⁵³

⁴⁶ Program för europeiskt territoriellt samarbete, INTERREG IV A Öresund-Kattegat-Skagerrak 2007-2013, Svensk utgåva.

⁴⁷ See map 1 in appendix.

⁴⁸ See map 2 in appendix.

⁴⁹ See map 3 in appendix

⁵⁰ See map 12 in appendix

⁵¹ See map 6 in appendix

⁵² See map 6 in appendix and Program för europeiskt territoriellt samarbete, INTERREG IV A Öresund-Kattegat-Skagerrak 2007-2013, Svensk utgåva.

⁵³ See map 13 in appendix

Commuting, infrastructure and accessibility across national borders

The Öresund region has the highest numbers of commuters across national borders in the Nordic countries. In 2008, nearly 20 000 persons commuted within the Öresund region, 19 out of 20 people living in Sweden and working in Denmark. Most of these commuters worked in Copenhagen and the surrounding municipalities. In the Kattegat-Skagerrak sub-programme area the commuting is more limited. In 2008, nearly 10 000 persons were commuting across national borders in this area.⁵⁴

Important cross-border links are beside the Öresund bridge between Malmö and Copenhagen, the Svinesund Bridge between Norway and Sweden also several ferry links crossing the Öresund, Kattegat and Skagerrak.

Share of renewable energy

The share of renewable energy sources for electricity production varies across the programme area. In the Norwegian part, electricity is almost entirely generated from hydropower. In Denmark and Skåne the share of renewables in electricity production is relatively low. Wind energy is the most important renewable energy source in the Danish regions. Bioenergy is also an important source in the Danish parts and in Skåne in Sweden. In Västra Götaland the main share of electricity production is derived from nuclear power, while the

more than half of the electricity production in Halland comes from hydropower, and the rest is produced from conventional thermal and wind energy.⁵⁵

Description of the programme

While there was previously no INTERREG programme for Kattegat-Skagerrak, INTERREG IIA was initiated in 1996 in the Öresund Region, and it was followed by the INTERREG IIIA programme 2000-2006. It was decided to develop one Operational Programme (OP), but to have two sub-programmes for respectively the Öresund region and the Kattegat-Skagerrak area. The Öresund region has a longer tradition for cross-border cooperation, e.g. it has established cross-border organisations. Öresund is a geographically coherent region, while Kattegat-Skagerrak is a geographically large area.

The overall vision for the ÖKS programme area, comprising the two sub-programme visions, is: *”Öresund-Kattegat-Skagerrak – an attractive and competitive area characterised by knowledge-based collaboration and sustainable development”*. In order to reach the overall vision, three priorities were set up: 1) increased sustainable economic growth; 2) a cohesive region in terms of physical and organisational planning; and 3) increased day-to-day integration. These objectives are valid for the entire ÖKS area, while partly different focus areas have been set for the two sub-programmes.

Table 4: Priorities of the Öresund-Kattegat-Skagerrak programme 2007-2013

Priority 1. Promote sustainable economic growth	
Öresund	Kattegat-Skagerrak
Increased knowledge-based growth and strengthened core competences	Increased collaboration on technology and knowledge development
Strong development of firms and entrepreneurs	More entrepreneurs and new firms
Increased number of visitors and company establishments in the region	Development of existing firms
	Increased number of visitors and company establishments in the region
Priority 2. Tie the region together	
Öresund	Kattegat-Skagerrak
Increased institutional collaboration and more common plans and strategies	Increased institutional collaboration and more common plans and strategies
Cohesive and sustainable transport and infrastructure system	Cohesive and sustainable transport and infrastructure system
Increased service and capacity utilisation	Increased common service offering and collaboration on welfare issues
Increased interplay between the region's sub-areas	Integration of centre and periphery
Priority 3. Promote day-to-day integration	
Öresund	Kattegat-Skagerrak
Increased utilisation of opportunities within the area of education and labour market	Increased knowledge on educational questions
Increased knowledge of the region and its opportunities	Increased knowledge on opportunities in the border region
More human and informal meeting places	Increased knowledge on shared cultural and historical identity

⁵⁴ Nordisk pendlingskarta 2011

⁵⁵ See map 7 in Appendix

The main focus of projects under priority 1, according to the OP, is initiatives to promote growth in business development, R&D, and higher education. Priority 2 will be focused on developing framework conditions and coordinate collaboration within areas such as: infrastructure, transport, communication, environment and planning. Projects under priority 3 should help break down some of the cross-border barriers, not only formal but also mental barriers, which involve a limited knowledge of the rules, labour- and housing market, business community, and culture and education offerings on the other side of the border.

Developments during the programme period

By the end of 2010 there had been an overall even distribution of funds between Öresund and Kattegat-Skagerrak, although generally the size of the projects (number of co-financiers) had been bigger in Kattegat-Skagerrak. The themes which had been in highest

demand among applicants, involved education and competence development and maritime issues, while the areas involving tourism and profiling, health care and security and preparedness were in low demand.⁵⁶

In 2012, 73 projects have been allocated funding within priority 1: promote sustainable economic growth, while 60 projects have been funded within priority 2: Tie the region together, and 28 project have been funded under priority 3: promote day-to-day integration. 13 of the in total 161 projects funded include both sub-programming areas Öresund and Kattegat-Skagerrak. During the programme period co-financing of projects has become more difficult to find, especially to Danish regions, because of the financial and economic crisis.⁵⁷

Summary of the ÖKS programme area

Based on the regional profile and description of the programme the key characteristics of the ÖKS area and the programme are summarized in the box below:

The Öresund-Kattegat-Skagerrak programme

Regional potentials and challenges

- High population density especially in Skåne and the capital regions of Denmark and Norway, low population density in the remaining part of the Norwegian area
- Highest increase in unemployment between 2008 and 2010 in Västra Götaland and Denmark (except Region Hovedstaden)
- GDP above EU27 average with the exception of Bornholm and Sjælland
- Important sectors are finance and business services (Region Hovedstaden and Skåne), manufacturing and primary production (Nordjylland), public and private services (Norway), automotive (Västra Götaland)
- R&D intensity is generally high, but highest in Hovedstaden, Skåne and Västra Götaland
- Commuting is high across the Öresund Bridge, less in the remaining part of the area
- Varying renewable energy profile – hydropower (Norway and Sweden), wind energy (Denmark and Sweden), bioenergy (Sweden and Denmark)

Prioritised areas of the 2007-2013 programme period

- Promote sustainable economic growth
- Tie the region together
- Promote day-to-day integration

SYDDANMARK-SCHLESWIG-K.E.R.N. PROGRAMME

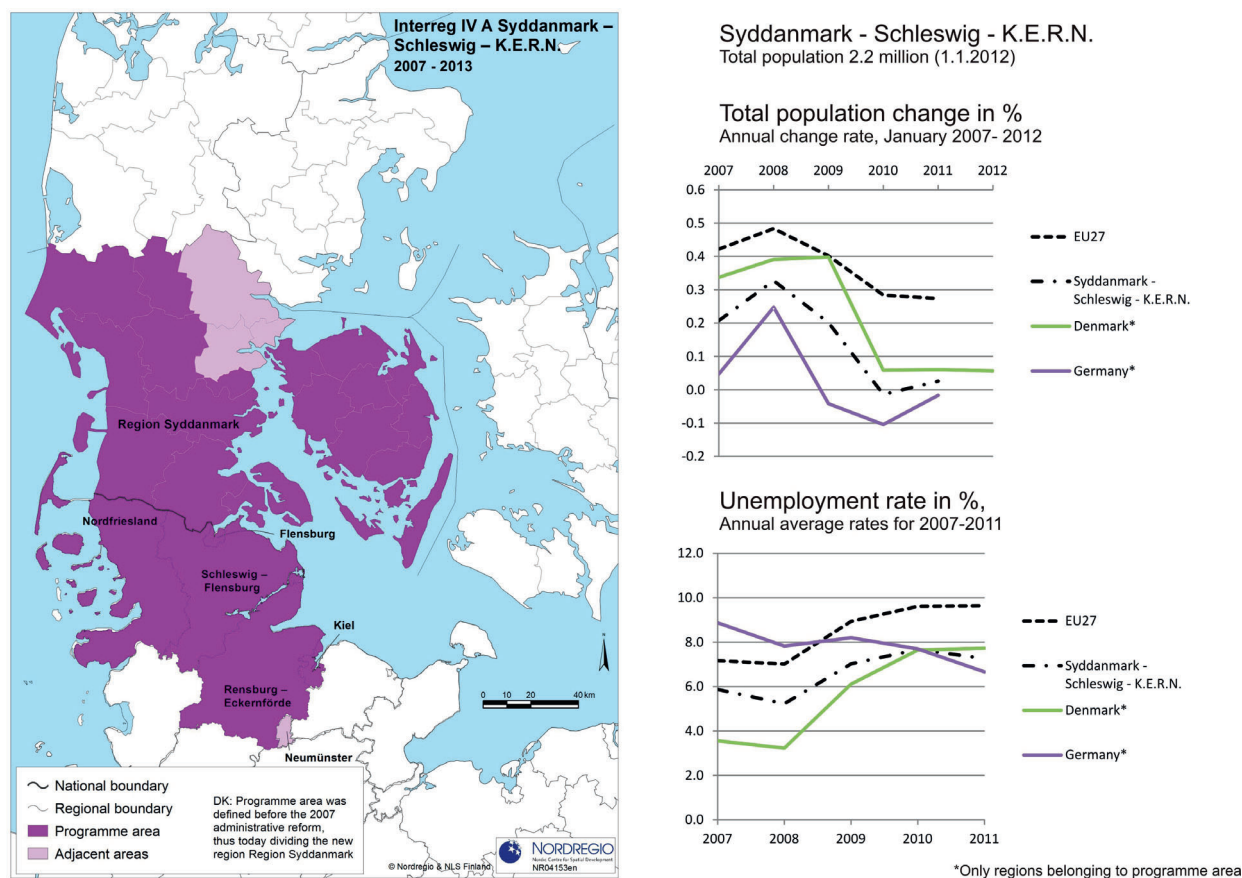
The programme area covers Region Syddanmark and Schleswig-Flensburg and K.E.R.N. which are part of the State of Schleswig-Holstein in Germany. Kreis

Schleswig-Flensburg is an administrative unit, whereas K.E.R.N. comprises collaboration between Kreis Rendsburg-Eckernförde, a part of Kreis Plön, and the cities of Kiel, Eckernförde, Rendsburg and Neumünster.

⁵⁶ Årsrapport (2010), Territoriellt Samarbetsprogram, INTERREG IV A Öresund-Kattegatt-Skagerrak 2007-2013

⁵⁷ Årsrapport (2011), Territoriellt Samarbetsprogram, INTERREG IV A Öresund-Kattegatt-Skagerrak 2007-2013

Figure 6: Map of the Syddanmark-Schleswig-K.E.R.N. programme area and graphs displaying total population change in % from 2007-2012 and unemployment rate in % from 2007-2011 in the programme area.



Regional profile of the programme area

Population

The total population of the programme area is 2.2 million inhabitants. The population density in the programme area in K.E.R.N. and in Fyn and the archipelago in Syddanmark is 100-250 inhabitants/km², while in the rest of the programme area the population density is 50-100 inhabitants/km².⁵⁸

The upper graph in figure 6 shows that the population was still growing in the programme area from 2009 to 2010 but the increase was much smaller than before 2009. After 2010 the situation became more stable.

If we look at the municipal level in the Danish part of the area there has been a population decrease in the municipalities on Jutland closest to the German border whereas the municipalities on the island of Fyn – especially the town of Odense – have experienced an increase in population during the period 2007 to 2010.⁵⁹ In the Danish part of the programme area there is a slight surplus of men in most municipalities.

The situation is more balanced in the Odense region.⁶⁰ As shown in the upper graph in figure 6 the German side of the programme area experienced a decrease in population during the period 2009 to 2010.⁶¹

Education and labour market

In the Danish part of the programme area the share of persons 25+ with higher education ranges from over 30% in the university town of Odense to below 15% in the island of Langeland and in Tønder municipality close to the German border. The overall share of persons with higher education in the Danish part is between 20 and 25%.⁶² According to the most recent figures available for Germany, the education level is slightly lower in this part of the programme area where the share of people with higher education was 20% in 2007.⁶³

⁵⁸ See map 1 in appendix

⁵⁹ See map 9 in appendix

⁶⁰ See map 3 in appendix

⁶¹ Operationelt Program for Syddanmark-Schleswig-K.E.R.N. 2007-

⁵⁸ See map 8 in appendix

⁵⁹ See map 2 in appendix.

The lower graph in figure 6 shows that the unemployment rates changed in the programme area during the period 2007 to 2011, which may illustrate varying impact from the economic crisis. In 2007 the Danish part of the programme area had an average unemployment rate below 4% while the German side had an unemployment rate of 9%. In 2011 the unemployment rate in Syddanmark had increased to almost 8% and in Schleswig-K.E.R.N. it had dropped under 7%.

In most parts of Syddanmark there is a surplus of persons aged 55-64 years compared to those aged 15-24 years. Odense is again the exception with a strong surplus of young people.⁶⁴

Economic structure and innovation

There is some difference within the programme area in the GDP per capita in purchasing power standards, which in the part of Danish programme area of Jutland and the western part of Schleswig-Flensburg is between index 100-125 and in Fyn and the rest of the German side of the programme area is between 75-100, and this part is thereby slightly below the EU27 average.⁶⁵

In 2007 the share of firms with more than 50 employees in the Danish part of the programme area was 10-15%, while it was 35-40% in the German part of the area. Thus, Syddanmark is to a higher extent than the German part of the programme area dominated by micro and small firms.

Manufacturing industries, notably food production, comprised approximately 30% of jobs in Syddanmark and 20% in Schleswig and K.E.R.N. The private service sector however employs a corresponding higher share of people in the German part of the programme area. As stated in the OP, it is expected that in the long term Syddanmark will reach the level of the German side in terms of the importance of jobs in private service firms.

In terms of number of jobs, agriculture has decreased in importance throughout the programme area, but it is slightly more dominant on the Danish side of the border.

Tourism is an important branch in the programme area as a whole, measured in number of guest beds per km², is biggest in Schleswig followed by K.E.R.N. and then Syddanmark. Further, the German side of the programme area, unlike the Danish, has experience with 'high end' or 'luxury' tourism.⁶⁶

The programme area has University of Southern Denmark which is based in Odense but with

campuses in other parts of the region, and universities in Flensburg and Kiel. The R&D expenditure in Syddanmark is the lowest in a comparison with the other Danish regions and the main part is investments of businesses not university. R&D expenditure is slightly higher in Schleswig-Holstein, and the main part is from universities. The R&D intensity, i.e. total R&D expenditure as a share of GDP, is 1-2% on the German side and 0.5-1% on the Danish side.⁶⁷

Commuting, infrastructure and accessibility across national borders

It has not been possible to get access to recent statistics on commuting across the border between Denmark and Germany. However, in the OP it is stated that especially cross-border commuting from Germany to Syddanmark had been increasing since 2004, when approximately 1900 commuters living in Germany commuted, who earned more than 50.000 DKK, and 950 persons who earned less than 50.000 DKK commuted from Germany.⁶⁸

All the larger towns in the programme area are connected via motorway networks, of which most of them are located by the network that connects the metropolitan areas of Copenhagen and Hamburg. There are international airports in Kiel, Esbjerg and Billund. The location of the programme area geographically and in terms of the transport link between Copenhagen and Hamburg is of crucial importance with regard to the future development opportunities of the area.⁶⁹

Description of the programme

The previously two separate INTERREG programme areas, respectively Sønderjylland-Schleswig (since 1991) and Fyn-K.E.R.N. (since 1994) became one programme area from 2007.

INTERREG IV A Syddanmark-Schleswig-K.E.R.N. 2007-2013 has set up three overall prioritised areas and a vision for each prioritised area introduced below. The vision of priority 1 is to support the potential strengths of the region in order to be better equipped to utilise the opportunities of the global knowledge society. The vision for priority 2 is that it will strengthen the area's general framework conditions and ensure a sustainable development of the area's nature, environment and energy. Priority 3 will ensure the cross-border region's continued competitiveness through focusing on the challenges which especially this region is facing.

2013 INTERREG IV A, November 2007, p.7.

⁶⁴ See map 5 in appendix

⁶⁵ See map 12 in appendix

⁶⁶ Operationelt Program for Syddanmark-Schleswig-K.E.R.N. 2007-2013 INTERREG IV A, November 2007, pp.7-8.

⁶⁷ See map 13 in appendix

⁶⁸ Operationelt Program for Syddanmark-Schleswig-K.E.R.N. 2007-2013 INTERREG IV A, November 2007, pp.7-8.

⁶⁹ Ibid.

Table 5: Priorities in the Syddanmark-Schleswig-K.E.R.N. programme 2007-2013

Priority 1. Strengthen and consolidate the regional knowledge-based economy	Priority 2. Development of the area's framework conditions	Priority 3. Day-to-day cooperation and functional integration in the cross-border region
Growth through entrepreneurship and business collaboration	Development of human resources	Culture, language and mutual understanding
Utilisation and development of technology	Sustainable nature and environmental development	Labour market and cross-border commuting. Collaboration on schools.
Development through research and education	Sustainable energy development	Public transport and mobility
Development through tourism and an experience-based economy	Transport and logistics development	Administration and public authority collaboration
Healthcare development	Sustainable development of the population and strengthening of the local identity	

The OP emphasises that the most evident comparative advantages of the programme area are: the maritime area, an eventful nature, transport, food/agriculture, tourism, cheap housing, and life in the country side.

Developments during the programme period

By the end of 2010, 23 projects had been granted funding under priority 1. In the annual report for 2010⁷⁰ it is stated that it is considered positive that central knowledge and research institutions, such as University of Southern Denmark, the Universities of Applied Sciences in Flensburg and Kiel, and Flensburg University to a wide extent are participating in these projects.

Further, it is noted that several projects have succeeded in involving firms in networks through cross-border activities. 13 projects had been granted funding under priority 2, of which the majority (5 projects) concern "sustainable nature and environmental development". Six projects had been granted funding under priority 3 with an equal distribution between the focus areas.

Summary of the Syddanmark-Schleswig-K.E.R.N. programme

Based on the regional profile and description of the programme the key characteristics of the area and the programme are summarized in the box below:

The Syddanmark-Schleswig-K.E.R.N. programme area <u>Regional potentials and challenges</u> • Population density is relatively high, and slightly higher on the German side • Negative population development in Germany and the most southern part of Denmark • Increasing unemployment in Denmark, while decreasing in Germany • GDP slightly above EU27 average in the eastern part of the programme area, and slightly below in the western part • Important sectors are manufacturing industries, private services, agriculture and tourism • R&D intensity is generally low, but slightly higher on the German side • Commuting is relatively high, good transport infrastructure, link between Copenhagen and Hamburg <u>Prioritised areas of the 2007-2013 programme period</u> • Strengthen and consolidate the regional knowledge-based economy • Development of the area's framework conditions • Day-to-day cooperation and functional integration in the cross-border region
--

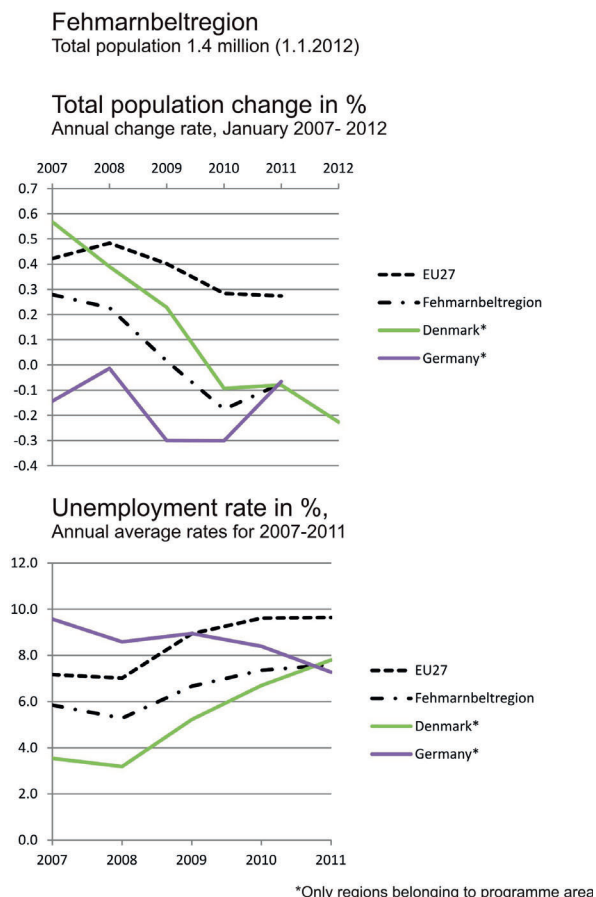
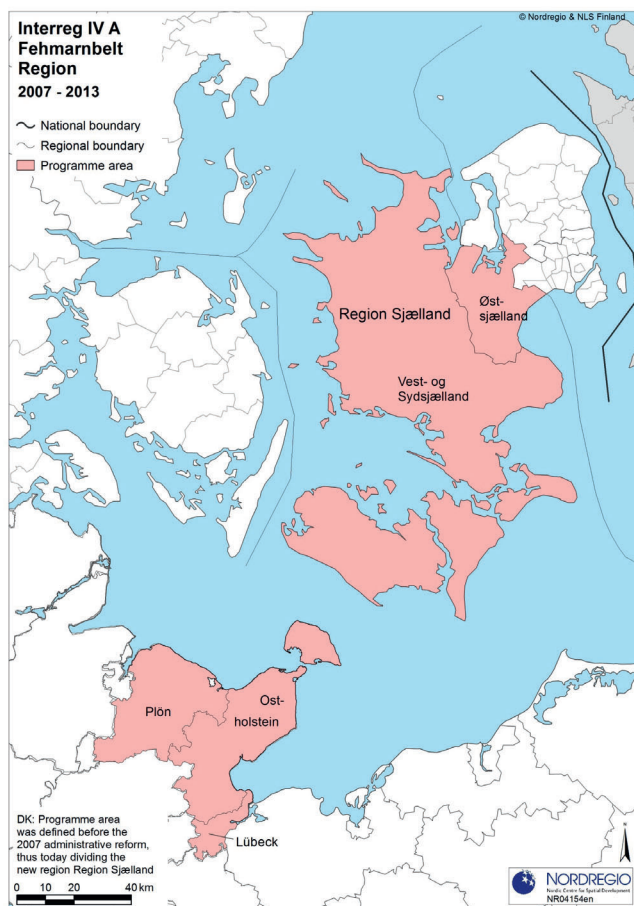
⁷⁰ Årsrapport 2010, om gennemførelsen af det operationelle program "INTERREG 4 A Syddanmark-Schleswig-K.E.R.N."

FEHMARNBELT PROGRAMME

The Fehmarnbelt area covers Region Sjælland in Denmark, and Kreis Ostholstein, Kreis Plön and

Hansestadt Lübeck in the State of Schleswig-Holstein in Germany.

Figure 7: Map of the Fehmarn Belt programme area and graphs displaying total population change in % from 2007-2012 and unemployment rate in % from 2007-2011 in the programme area.



Regional profile of the programme area

Population

The programme area has a total population of 1.4 million. The population density in most of the Danish part of the programme area is 25-50 inhabitants/km², while it is 250-500 inhabitants/km² in the municipality of Roskilde. The German part of the Fehmarnbelt Region has a population density of 100-250 inhabitants/km².⁷¹

As shown in the upper graph in figure 7 the Danish part of the area experienced positive population change (over 0% in annual change rate) from 2007 to 2009 but from 2010 and onwards the population change has been negative (below 0%). In the German part the population change has been negative through the whole period 2007-2012.

The age structure of the population has changed slightly during the period 2005 to 2010. The share of

⁷¹ See map 8 in appendix

the population in Region Sjælland more than 65 years old has increased from 17 to 18%, while there has been a population decline in the age groups of 0-14 years old and 15-64 years old. The same situation is valid in the German part of the programme area where almost every fourth citizen is more than 65 years old.⁷²

Education and labour market

In Region Sjælland the share of the population with tertiary education varies, and thus it is lowest in Lolland with less than 15% of the population. In most of the region it varies between 15 and 25%, and in Roskilde close to the capital region the share of persons with

⁷² Epinion, Advance/1, dsu (2011) Løbende evaluering af det operationelle program INTERREG IV A "Fehmarnbeltregion" 2007-2013, Maj 2011, p.15.

tertiary education is over 30%. In the German part of the programme area, the share of the population with higher education was approx. 8% in 2007.⁷³

Similarly to the Syddanmark-Schleswig-K.E.R.N. area the unemployment rates changed in the programme area during the period 2007 to 2011 (see lower graph in figure 7), which may illustrate varying impact from the economic crisis. In 2007 the Danish part of the programme area had an unemployment rate of less than 4% while the German side had an unemployment rate of more than 9%. In 2011 the situation had changed, and in the Danish part there was an unemployment rate of 8% and in the German part it was about 7%.⁷⁴

Economic structure and innovation

The GDP/per capita in purchasing power standards is below the EU27 average with index 75-100 in the main part of the programme area and 50-75 in Kreis Plön.⁷⁵

Trade and services is the most dominant sector in the programme area and comprised approx. 70% of the total production in both the Danish and German part of the programme area in 2007. Tourism is a significant sector, especially in the southern part of Region Sjælland and in Ostholstein. On the Danish side it mainly involves tourism along the coast, while on the German side also city tourism and spa tourism are common. The manufacturing industry comprised 25% in Region Sjælland and 20% in the German part of the programme area. Agriculture comprised the remaining 5% of the Danish part of the programme area, and it had a similar importance in the economic structure on the German side.⁷⁶

The University of Lübeck and Roskilde University are the main higher education institutions in the programme area. The R&D expenditure is at approximately the same level in Region Sjælland and in Schleswig-Holstein. However, the R&D intensity, i.e.

the total R&D expenditure as a share of GDP, is 1-2% in Schleswig-Holstein, and 3-4% in Region Sjælland which is above the EU27 average of 2.1%.⁷⁷

Commuting, infrastructure and accessibility across national borders

There are a significant number of people commuting out of the programme area, especially to Copenhagen and Hamburg.

The infrastructure in the area is characterized by being part of the motorway and railway network between the cities of Copenhagen and Hamburg. The ferry connection between Rødbyhavn and Puttgarten links together the Fehmarnbelt region. During the current programming period, in 2009, it was decided that a permanent connection, a tunnel, across the belt will be built. This is expected to be influential for the region in the future in terms of potential effects on trade, labour markets and potential collaboration across the border.⁷⁸

Description of the programme

INTERREG funded collaboration was first initiated in the cross-border area in 1991, and the Fehmarnbelt Region have implemented INTERREG IIA and IIIA Programmes.

Based on previous cross-border cooperation in the programming area, the OP continues and further develops existing cross-border collaboration. The vision is: *“to establish a functional maritime region in the Baltic Sea area”*. It has four overall objectives: 1) Economic/business positioning of the region along the axis Hamburg-Copenhagen/Malmö, 2) Improving the attractiveness of the Fehmarnbelt Region, 3) More information and knowledge to the region's population, and 4) Promote integration. The OP has two prioritised areas introduced below in table 6.

⁷³ Operationelt program, Europæisk territorielt samarbejde (INTERREG IV A) 2007-2013, Fehmarnbelt Region, Sjælland, Plön, Ostholstein, Lubeck (2007CB163PO057), p.18.

⁷⁴ See maps 10 and 11 in appendix

⁷⁵ See map 12 in appendix

⁷⁶ Operationelt program, Europæisk territorielt samarbejde (INTERREG IV A) 2007-2013, Fehmarnbelt Region, Sjælland, Plön, Ostholstein, Lubeck (2007CB163PO057), pp.20-24.

⁷⁷ See map 13 in appendix

⁷⁸ Operationelt program, Europæisk territorielt samarbejde (INTERREG IV A) 2007-2013, Fehmarnbelt Region, Sjælland, Plön, Ostholstein, Lubeck (2007CB163PO057), pp.25-26.

Table 6: Priorities of the Fehmarn Belt programme 2007-2013

Priority 1. Business community, innovation, maritime development and the environment Business-related	Priority 2. Cross-border structures and human resources
Research and technology	Education, qualification and integration
Healthcare	The labour market, the social area, and equal opportunities
Maritime	General structural improvement
Tourism/culture	Regional identity
Environment, energy and nature preservation	

Developments during the programme period

In February 2011 more than 70% of the programme funds had been allocated. The demand had almost been equal between priority 1 and 2, whereas there had been significant differences between the main focus areas within the prioritised areas. The focus areas “business-related initiatives” and “the labour market, the social area, and equal opportunities” had been in high demand, while resources for initiatives in “research and technology”, “healthcare”, and “general structural improvements” had been in low demand.⁷⁹

The on-going evaluation report from spring 2011 refers to the one big change that has occurred with the decision to construct the Fehmarnbelt tunnel. This is expected to bring opportunities for business and tourism, but there is also a risk that the region will mainly become a transit area between Hamburg and Copenhagen (and further to Sweden). According to the Annual Report 2011 a number of project applications during 2011 specifically focus on regional development potentials linked to the construction of the Fehmarn Belt tunnel.⁸⁰ It is recommended in the on-going evaluation report that it should be considered, due to opportunities related to the tunnel and the demand until then, that special emphasis is placed on the focus areas “business-related activities” and “tourism and culture” in the remaining part of the programming period.

A significant weakness in the programming area, stressed by the evaluator, is that it consists of two structurally weak regions, and it is recommended that key actors pay attention to external growth drivers, and that a mapping/analysis of such growth drivers is made.⁸¹

It is under political and administrative discussion whether the current Fehmarnbelt Region area should be changed for the post 2013 programming period. The evaluators discussed the four potential post 2013 scenarios with actors in the current programme area. The four scenarios are: 1) the programme area stays the same, 2) the present Fehmarnbelt Region and Syddanmark/Schleswig/K.E.R.N. will be combined, 3) the present Fehmarnbelt Region and expansion in the direction Hamburg and Mecklenburg-Vorpommern, or 4) the present Fehmarnbelt Region and expansion along the axis Hamburg and Copenhagen. There were no clear preferences for any of the four scenarios based on the interviews with actors in the current programme area.

Summary of the Fehmarnbelt programme

Based on the regional profile and description of the programme we have summarized the key characteristics of the area and the programme in the text box below:

⁷⁹ Epinion et al., 2011

⁸⁰ FemharnBelt Region 2007-2013, Årsrapport 2011

⁸¹ Epinion et al., 2011

The Fehmarnbelt programme area

Regional potentials and challenges

- Population density is slightly higher on the German side
- Negative population development in the whole programme area from 2010 and onwards
- Increasing unemployment in Denmark, while slightly decreasing in Germany
- GDP below EU27 average
- Important sectors are trade and services, manufacturing industries, tourism, and agriculture
- Moderate R&D intensity in Sjælland, lower on the German side
- Commuting out of the programme area to Copenhagen and Hamburg

Prioritised areas of the 2007-2013 programme period

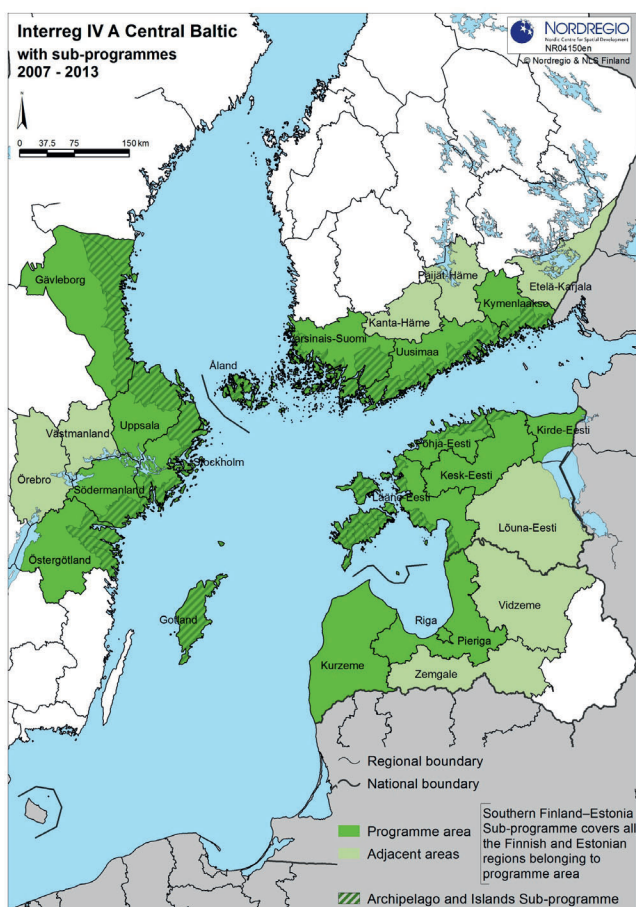
- Business community, innovation, maritime development and the environment Business-related
- Cross-border structures and human resources

CENTRAL BALTIC PROGRAMME

The programme covers the counties of Gävleborg, Gotland, Östergötland, Södermanland, Uppsala and Stockholm in Sweden, Itä-Uusima, Kymenlaakso, Uusimaa, Varsinais-Suomi and Åland in Finland, Pohja-

Eesti, Lääne-Eesti, Kirde-Eesti and Kesk-Eesti in Estonia and Riga and Kurzeme in Latvia. A number of regions in all the four countries are adjacent areas.

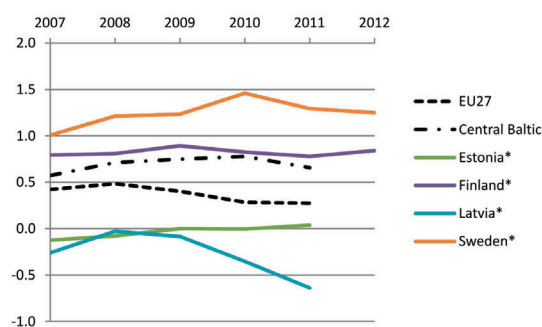
Figure 8: Map of the Central Baltic programme area and graphs displaying total population change in % from 2007-2012 and unemployment rate in % from 2007-2011 in the programme area.



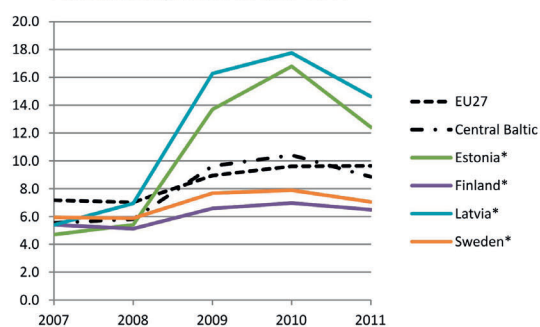
Central Baltic

Total population 8.1 million (1.1.2012)

Total population change in % Annual change rate, January 2007- 2012



Unemployment rate in % Annual average rates for 2007-2011



*Only regions belonging to programme area

Regional profile of the programme

Population

The total population of the programme area is 8.1 million inhabitants and the overall population density is 50 inhabitants/km².⁸² The population is concentrated to the capital regions; Stockholm, Helsinki, Tallinn and Riga.

The Swedish capital region has the highest population density of 250-500 inhabitants/km² and the capital regions of Finland and Estonia of 100-250 inhabitants/km², while the rest of the programme area has a density ranging between 12.5 and 100 inhabitants/km².⁸³

The upper graph in figure 8 shows that there has been a minor increase in population between 2007 and 2012 for the programme area as a whole. In all the Swedish regions – including the Stockholm region as well as the university cities of Uppsala and Linköping – there has been a strong increase in population both due to relatively high birth rates and in-migration to the regions. In the Finnish part of the programme area the situation has been similar.⁸⁴ The islands of Gotland (Sweden), Hiiumaa and Saaremaa (Estonia) have experienced a decrease in population during the same period. The Åland islands have experienced a population increase even though the growth in population is unevenly distributed over the islands with large differences between the municipalities.

The gender structure is balanced in most Swedish regions whereas there is a surplus of women in the Helsinki region.⁸⁵ If we look at the islands of Gotland (Sweden), Åland (Finland), Hiiumaa and Saaremaa (Estonia) there are more women than men, but mostly as a result of a high female surplus in age groups 55 years and over.⁸⁶

Education and labour market

In the metropolitan regions within the programme area – Stockholm, Uppsala, Helsinki, Tallinn and Riga the share of the population with higher education is over 30% in 2010. In Östergötland in Sweden it is slightly lower, ranging from 25 to 30%. In the more rural parts of the programme area Gävleborg region and the island of Gotland in Sweden as well as the Åland islands the share ranges from less than 15 to 25%.⁸⁷

When it comes to the effects of the economic crisis on employment within the programme area the

regions in Estonia and Latvia were most severely struck by the crisis⁸⁸. Unemployment increased in the whole programme area between 2008 and 2009. As shown in the lower graph in figure 8 the Latvian part of the area unemployment increased from 7 to 18% between 2008 and 2010 and in the Estonian part from below 6% to more than 16% during the same period. In 2011 the situation became more stable and the unemployment decreased both in the Latvian and the Estonian part.

Economic structure and innovation

The GDP per capita measured in purchasing power standards is highest in the capital regions of Sweden and Finland with index of more than 150. Most are above the EU27 average, but Gotland, the municipality of Nyköping, and Kymenlaakso are slightly below with index 75-100. In Latvia and Estonia the main part of the area are in the lowest index of less than 50, except the capital region of Estonia which is placed in index 75-100.⁸⁹

The capital regions Helsinki and Stockholm have a share of knowledge-intensive branches within business, finance, ICT, life science etc. Other parts of the programme area have a strong manufacturing industry, e.g. Gävleborg in Sweden and the Åbo region in Finland.⁹⁰

The programme area has a strong basis for research, education and innovation. In total, there are 40 universities and 20 polytechnics within the area.⁹¹ The most important universities are located in the capital region. There is a high share of knowledge-intensive companies especially in the metropolitan regions.

R&D expenditure is high in the Finnish part of the programme area, and in the Stockholm region and in East Middle Sweden, while it is lower in Gävleborg County. Here it is however slightly higher than in Estonia and Latvia, where expenditure by businesses is also higher than university expenditure. R&D intensity, i.e. total R&D expenditure as a share of GDP, provides the same picture, and thus it is low in Latvia with less than 0.5% and 1-2% in Estonia and Gävleborg County. The rest of the programme area has a high R&D intensity, especially the NUTS 2 region East Middle Sweden with more than 4%.⁹²

⁸² Central Baltic INTERREG IV programme 2007-2013

⁸³ See map 8 in appendix

⁸⁴ See map 2 in appendix.

⁸⁵ See map 1 in appendix

⁸⁶ Addressing demographic challenges. Demographic handbook of the Nordic countries and how the B7 Islands can make use of it. Nordregio Policy Brief, July 2012.

⁸⁷ See map 3 in appendix.

⁸⁸ DeaBaltika (2012). Evaluation of the Central Baltic INTERREG IVA Programme 2007-2013. Final Follow-up Evaluation Report. 16 April 2012. Approved by the Monitoring Committee 10 May 2012

⁸⁹ See map 12 in appendix

⁹⁰ See map 6 in appendix.

⁹¹ Central Baltic INTERREG IVA Programme 2007-2013

⁹² See map 13 in appendix

Commuting, infrastructure and accessibility across national borders

The most important cross-border links within the area is ferry and air transports. There is frequent ferry traffic between Helsinki and Tallinn. There are also several ferry lines from Stockholm to Åland islands, Åbo, Helsinki and Tallinn. There are also important transnational roads crossing the area: Via Baltica between Warsaw and Tallinn, Via Hanseatica between Lübeck and St. Petersburg and E18 linking Oslo through Stockholm and Helsinki to St. Petersburg.⁹³

Description of the programme

The Central Baltic INTERREG IVA Programme is a new programme area for the 2007-2013 period which builds on, and widens two previous INTERREG IIIA cooperations: the Southern-Finland-Estonia Programme and the Skärgården Programme. This cross-border cooperation across the Baltic Sea was first made possible by the maritime 150 km rule of the 2007-2013 programmes. The current programme encompasses regions in Estonia, Finland (including Åland), Latvia and Sweden with a long tradition of cooperation, and is divided into the main programme and two sub-

programmes: Southern Finland-Estonia sub-programme and the Archipelago and Islands sub-programme.

The overall vision or objective for the Central Baltic programme area is to *“create a globally recognised, dynamic, sustainable and competitive region that is attractive for business and visitors and where people want to live, work and invest”*. This vision shall be realised by 1) unlocking potentials for making the programme area a global centre for growth and innovation, 2) working together for a better environment, 3) optimising internal and external accessibility, 4) investing in its residents' overall wellbeing, capacity and security, 5) addressing new socio-economic challenges, and 6) facilitating cultural co-operation and strengthening the programme area's common identity.

There are three priorities of the programme area. Priority 1 focuses on the common environment and in particular the Baltic Sea and the maritime environment by raising environmental awareness. Priority 2 is focused on enhancing the overall economic development and competitiveness of the programme area for the better flow of goods and people. Priority 3 focuses on creating a better living environment for the area's inhabitants by addressing the health, wellbeing and security and strengthening cultural exchange.

⁹³ Central Baltic INTERREG IVA Programme 2007-2013

Table 7: Priorities of the Central Baltic Programme 2007-2013

Priority 1. Safe and healthy environment	
Central Baltic Programme	
Environmental awareness raising and expertise	
Supporting sustainable spatial planning and environmental management	
Sub-programme Southern Finland-Estonia	Sub-programme Archipelago and Islands
Maintaining and improving the condition of the natural environment	Sustainable infrastructure
Taking responsibility for our physical environment (including cultural landscapes)	Raising environmental awareness (finding new ways)
Priority 2. Economically competitive and innovative region	
Central Baltic Programme	
Supporting innovation and improving competitiveness	
Improving internal and external accessibility	
Optimising the potential of the labour market	
Sub-programme Southern Finland- Estonia	Sub-programme Archipelago and Islands
Improving connections within the programme area	Sustainable Tourism
Creating and supporting innovative and competitive environments	Knowledge based economy
Meeting the challenges of the labour market	Developing A&I specific economic activities- traditional small scale farming, fishing, handicrafts, maritime heritage etc.
	Supporting accessibility to and information about the A&I
Priority 3. Attractive and dynamic societies	
Central Baltic Programme	
Improving living conditions and social inclusion	
Increasing cultural exchange	
Sub-programme Southern Finland-Estonia	Sub-programme Archipelago and Islands
Social security and wellbeing of different groups in society	Social and demographic issues, especially young people
Stimulating and preserving our heritage and culture	

Developments during the programme period

The follow-up evaluation by DeaBaltika in May 2012⁹⁴ concluded that the projects under Priority 1 and the Southern-Finland Estonia sub-programme have been more successful in following the strategy of the programme, perhaps due to the maturity of the projects and partnerships in the areas. Due to the financial crisis, newer projects within the programme have tended to be more focused on actual needs.

The financial crisis and economic recession did have an impact on the programme area in its

later stages⁹⁵ with the effect of making projects more focused on the actual needs of the area and making it more difficult to find national co-funding, primarily in Latvia and Estonia which were harder hit by the crisis.

Another impact on the programme in the later stages was the implementation of the EU Strategy for the Baltic Sea Region (EUSBSR), which placed more focus on certain projects (flagships) and helped to market and develop projects to benefit programme performance.⁹⁶

⁹⁴ DeaBaltika (2012). Evaluation of the Central Baltic INTERREG IVA Programme 2007-2013. Final Follow-up Evaluation Report. 16 April 2012. Approved by the Monitoring Committee 10 May 2012.

⁹⁵ Ibid.

⁹⁶ Ibid.

Summary of the Central Baltic programme

Based on the regional profile and description of the programme we have summarized the key characteristics of the Central Baltic area and programme in the text box below:

Central Baltic programme area

Regional potentials and challenges

- Population density is high, and especially in the capital areas
- Positive population development in the capital areas and the Åland islands
- Highest increase in unemployment in regions in Latvia and Estonia from 2008 to 2010 due to the economic crisis.
- High GDP in Stockholm, Åland and Helsinki, but well below EU27 average in Latvia and Estonia
- Important sectors are business, finance, ICT, life science (Helsinki and Stockholm), manufacturing industry (Gävleborg, Åbo)
- High R&D intensity in Helsinki and Stockholm, low in the rest of the area
- Ferry and air transport are the most important transport infrastructure

Prioritised areas of the 2007-2013 programme period

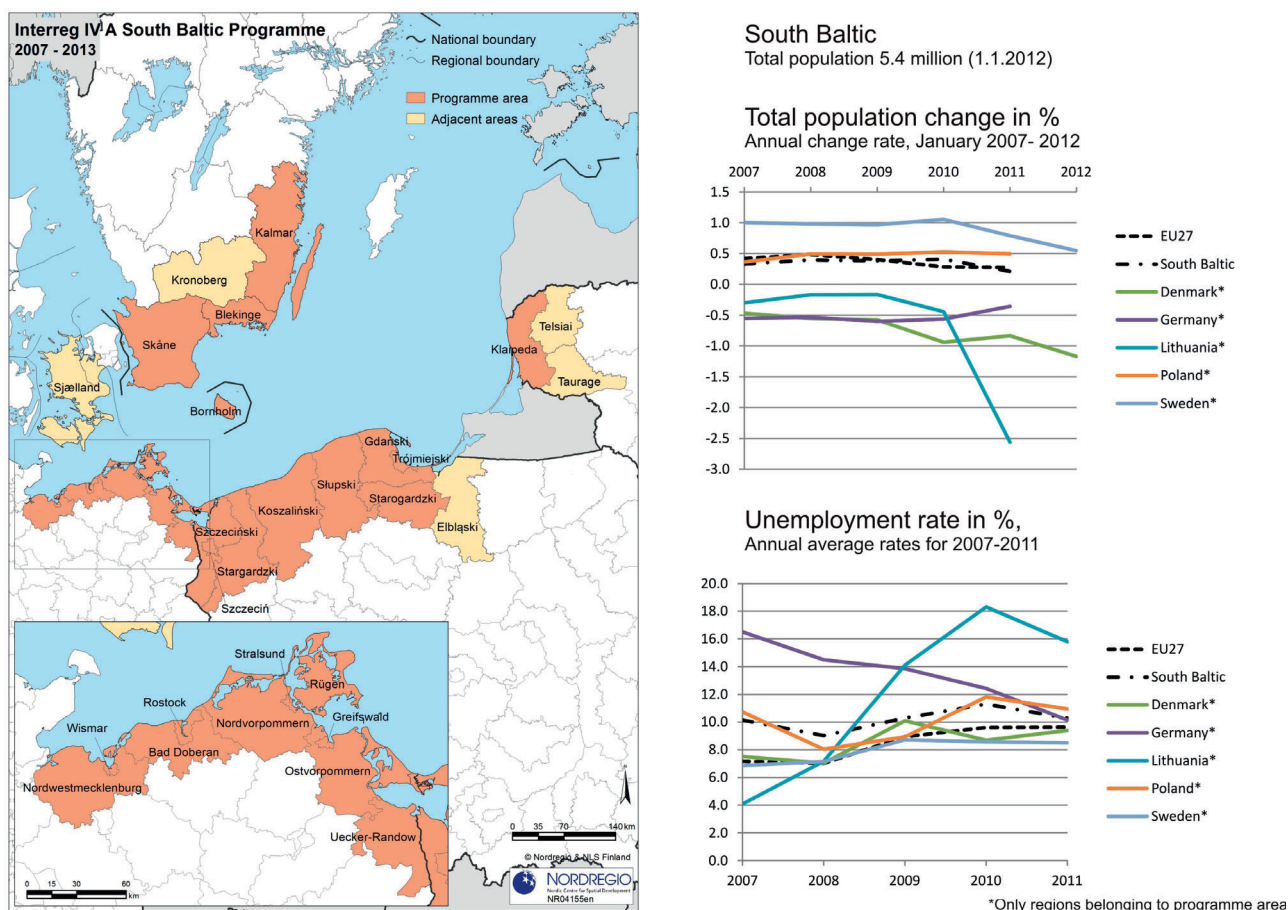
- Safe and healthy environment
- Economically competitive and innovative region
- Attractive and dynamic societies

SOUTH BALTIC PROGRAMME

The South Baltic programme covers the German regions of Greifswald - Kreisfreie Stadt, Rostock - Kreisfreie Stadt, Stralsund - Kreisfreie Stadt, Wismar - Kreisfreie Stadt, Bad Doberan, Ostvorpommern, Uecker-Randow, Rügen, Nordvorpommern, Nordwestmecklenburg,

Bornholm in Denmark, Skåne, Blekinge, and Kalmar in Sweden, Klaipeda in Lithuania and Koszalin, Gdansk-Gdynia-Sopot, Snupski, Gdanski and Szczecinski in Poland.

Figure 9: Map of the South Baltic programme area and graphs displaying total population change in % from 2007-2012 and unemployment rate in % from 2007-2011 in the programme area.



Regional profile of the programme area

Population

The total population of the South Baltic programme area is 5.4 million. There is heterogeneity when it comes to the population structure within the programme area; the population is concentrated to metropolitan areas while the rest of the area is sparsely populated.

The upper graph in figure 9 shows that there has been a rather stable population development in the programme area as a whole. The largest decrease in population has been in the Lithuanian part of the area. If we look closer at the different regions in the programme area⁹⁷, the Swedish region of Kalmar has experienced a minor decrease in population between 2006 and 2010 due to out-migration whereas there has

⁹⁷See map 9 in appendix

been an increase in the other Swedish regions, Skåne and Blekinge. The Danish island of Bornholm has a more severe situation with strong out-migration.

Education and labour market

In the Swedish parts of the programme area the share of persons with higher education ranges from between 20 and 25% in Kalmar to over 30% in Skåne. The share of persons with higher education is also over 30% in Bornholm.

As shown in the lower graph in figure 7 the highest unemployment rates are found in Klaipeda in Lithuania and in the German and Polish parts of the

area. Especially in Klaipeda the unemployment level rose significantly between 2007 and 2012 – from 4% in 2007 to more than 18% in 2010. In the Swedish part there was a minor increase in unemployment during this period. The German part of the programme area is an exception, as the unemployment rate decreased from more than 16% in 2007 to 10% in 2011.

Economic structure and innovation

In the South Baltic programme area GDP per capita in purchasing power standards is below index 50 in most of the Polish part. In the Lithuanian and German part, including Blekinge in Sweden and Bornholm in Denmark, the GDP/per capita varies between index 50 and 100. Skåne and Kalmar are the only regions that are above the EU27 average in terms of GDP per capita with index 100-125.⁹⁸

The service sector is the dominant sector in the South Baltic programme area and the industrial sector is quite diversified with important industries being timber, furniture, tourism, transport and logistics, energy and environmental technology, the maritime industry and health care.

With the exception of Skåne and Blekinge the R&D expenditure is relatively low in the programme area. The R&D intensity, i.e. total R&D expenditure as a share of GDP, is thereby also highest in this region with more than 4%. The R&D intensity in Kalmar and the German part of the programme area is 1-2%; it is 0.5-1% in the eastern part of the Polish area and Lithuania, while the western part of the Polish area has the lowest R&D intensity with less than 0.5%.⁹⁹

Commuting, infrastructure and accessibility across national borders

Transport structures across the Baltic Sea are crucial for the area but still lacking. The road network has a good quality in Swedish and German regions as well as in Klaipeda in Lithuania whereas the Polish regions have an important road network deficit. The quality and number of sea transport

and ferry links across the area need improvement.

Description of the programme

The South Baltic Programme 2007-2013 is a new programme in this funding period and is based on several multi-lateral cooperation initiatives such as the Euroregion Baltic and Euroregion Pomerania as well as the cooperation funded within the Baltic Sea Region INTERREG IIIB Programme.

The overall objective of the Operational Programme is to “*strengthen the sustainable development of the South Baltic area through joint actions designed to increase its competitiveness and enhance integration among people and institutions*”.

There are two priorities of the programme area. Priority 1 aims to encourage actions that promote the integration of economic and labour markets in the area, cooperation in technical and higher education, transfer of knowledge and know-how between public and private actors and better transport connections. Priority 2 aims to support the management of both environmental threats and actions designed to promote sustainable economic use of natural resources and cultural heritage, with particular attention paid to tourism, the development of renewable energy sources and energy savings, and local initiatives encouraging people-to-people contacts.

⁹⁸ See map 12 in appendix

⁹⁹ See map 13 in appendix

Table 8: Priorities of the South Baltic programme 2007-2013

Priority 1. Economic competitiveness	Priority 2. Attractiveness and Common Identity
Entrepreneurial development	Management of the Baltic Sea Environment
Integration of higher education and labour markets	Energy saving and renewable energy
Transport accessibility	Sustainable use of natural and cultural heritage for regional development
	Local Community initiatives

Developments during the programme period

The Annual Implementation Report 2010 of the South Baltic Cross-border Cooperation Programme shows that assisted co-financed priorities that promote Europe 2020 have reached more than 96% of the total allocated funds. The financial crisis had a significant influence in the initial stages on the macro-economic indicators of

the countries involved in the programme, particularly in Lithuania. But the programme took appropriate steps to diminish the negative consequences and ensure the participation of Lithuanian actors in the projects and thus the crisis had no real influence on the realisation of the programme.

Summary of the South Baltic programme

Based on the regional profile and description of the programme we have summarized the key characteristics

of the South Baltic area and the programme in the text box below:

South Baltic programme area <u>Regional potentials and challenges</u> • High population density in metropolitan areas, while the rest of the area is sparsely populated • Positive population development in metropolitan areas, negative development in the rest of the area • Highest increase in unemployment in Lithuania, while unemployment rates have decreased in Germany • Only Skåne and Kalmar have a GDP above the EU27 average • Important sectors are services, manufacturing industry, tourism, transport and logistics, energy and environmental technology, the maritime industry and health care • Low R&D intensity with the exception of Skåne • Polish regions need improvements in road networks, and the quality and number of sea transport and ferry links across the area also needs improvement <u>Prioritised areas of the 2007-2013 programme period</u> • Economic competitiveness • Attractiveness and common identity
--

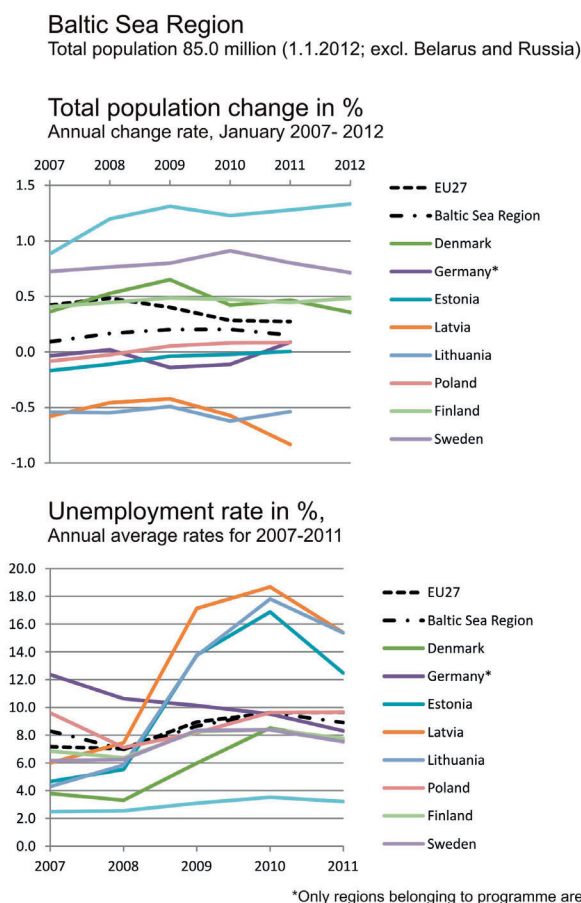
Transnational cooperation programmes

BALTIC SEA REGION PROGRAMME

The Baltic Sea programme area covers Finland, Sweden, Norway, Denmark, Poland, Estonia, Latvia, Lithuania,

Belarus and parts of north Germany and west and north-west Russia.

Figure 10: Map of the Baltic Sea Region programme area and graphs displaying total population change in % from 2007-2012 and unemployment rate in % from 2007-2011 in the programme area.



Regional profile of the programme area

Population

The total population within the Baltic Sea Region (BSR) is 85 million people with an average population density of 46 inhabitants/km².¹⁰⁰ The population density ranges from less than 8 inhabitants/km² in the most northern parts of Norway, Sweden, Finland and Russia to more than 1000 inhabitants/km² in some of the urban centres.¹⁰¹ Many remote and rural areas in the programme area have experienced a continuous loss

in population during the programme period whereas the metropolitan areas have experienced a strong immigration both from other parts of the respective countries and from abroad.

As shown in the upper graph in figure 10 the annual average population change between 2007 and 2012 has varied significantly between the different areas of the BSR. Sweden, Denmark and Finland have had a positive population development, Poland, Germany and Estonia have experienced an annual change close to 0% whereas Latvia and Lithuania have experienced a negative population development.

¹⁰⁰ Baltic Sea Region Programme 2007-2013 (2007). Programme under European Territorial Co-operation Objective and European Neighbourhood and Partnership Instrument. Final approved version 3.0 as of 05 January 2012. CCI no. 2007CB163PO020.

¹⁰¹ See map 8 in appendix

Education and labour market

The education level is generally high across the territory but there are large differences within the programme area.

There were large differences in the effects of the economic crisis on different parts of the BSR. In Sweden there are regional variations but as shown in the lower graph in figure 10 a general trend has been an increasing unemployment between 2008 and 2009. A similar trend is evident for Finland with regional variation between increasing and unchanged unemployment levels. The unemployment rate increased in Denmark between 2008 and 2010.

It is evident that the effects of the economic crisis were particularly severe in Estonia, Latvia and Lithuania. Unemployment levels in these countries were generally low in 2007 with 5-8% (see graph in figure 10). However, in 2010 the unemployment level was above 16% in all the three countries. In 2011 the situation had become slightly more stable and unemployment had dropped under 16%. In Poland with regional variations, the unemployment level did not change much during the period 2007-2011. Notably, in the German part of the programme area, the unemployment rate decreased in most regions, and especially in the eastern part, from 2007 to 2011.¹⁰²

Economic structure and innovation

The area of the Baltic Sea Region makes up almost half of the EU territory and the share of population is 23% of the EU as a whole, but its aggregated GDP is only 16% of the total EU value.¹⁰³ In an overview of GDP per capita in purchasing power standards, there is a clear difference between the three Nordic countries and the other areas of the BSR. Norway, most of Sweden, most of Denmark, and a number of regions in the southern and western part of Finland are above the EU27 average. The remaining regions in the Nordic countries and a number of regions in the German part and some metropolitan areas in Estonia, Lithuania and Poland are indexed 75-100. However, large parts of Poland, Russia, Lithuania, Estonia and the entire countries of Latvia and Belarus have GDP indexed less than 50.¹⁰⁴

When it comes to economic structure primary production is still more important in large parts of Poland, Lithuania and Latvia than in other parts of the BSR.¹⁰⁵

According to a regional performance index including indicators such as high-tech services, number of patents, public and private R&D investments and

the share of persons employed in the knowledge-intensive industry, Sweden, Finland and Denmark have the highest performance in the Baltic Sea Region. Norway, Estonia and the parts of Germany included in the programme area have generally a more moderate innovation performance whereas Poland, Latvia and Lithuania have a low innovation performance.¹⁰⁶

The R&D intensity, i.e. the total R&D expenditure as a share of GDP, is generally high with more than 3% in the metropolitan regions of the Nordic countries. Moderate R&D intensity with 1-2% is found in some regions in the German part, in the Polish capital region, and in Estonia. Several regions in Poland and in Latvia the R&D intensity is low with less than 0.5%.¹⁰⁷

Infrastructure and accessibility across borders

Accessibility differs very much within the Baltic Sea Region. In the southern part the road and railway systems are extensive whereas the systems are much more limited in the northern part. Maritime transports are of course of high importance within the programme area.¹⁰⁸

Description of the programme

The Baltic Sea Region Programme 2007-2013 is built on two previous transnational cooperation programmes in the area under INTERREG IIC (1997-1999) and INTERREG IIIB (2000-2006).

The strategic objective of the BSR programme is “to strengthen the development towards a sustainable, competitive and territorially integrated Baltic Sea Region by connecting potentials over the borders”¹⁰⁹. Improving territorial potential of the region and minimising the socio-economic gap between the eastern and western parts of the region are the focuses of investments and actions supported by the programme. The programme thus has a strong territorial dimension and encourages projects of a more strategic nature; that is projects that address a problem, opportunity or challenge relevant to the entire region.

Realizing the territorial potential means that transnational actions in the programme are directed towards the specific conditions of the region, which includes the East-West divide and spanning this gap, imbalanced transport showing a North-South gap, environmental pressure on the Baltic Sea, and general migration patterns from small and medium sized towns to the metropolitan areas. However the Baltic Sea Region

¹⁰² See maps 10 and 11 in appendix

¹⁰³ Baltic Sea Region Programme 2007-2013 (2007)

¹⁰⁴ See map 12 in appendix

¹⁰⁵ Smith, P. and Dubois, A. (2008), Exploring the Baltic Sea Region, Nordregio Report 2008:3

¹⁰⁶ Lindqvist, M. (ed.) (2010), Regional Development in the Nordic Countries, Nordregio report 2010:2,

¹⁰⁷ See map 13 in appendix

¹⁰⁸ Baltic Sea Region Programme 2007-2013 (2007)

¹⁰⁹ Ibid.

has a long history of cooperation including the legacy of the Hanseatic League and more modern pan-Baltic institutions such as VASAB, HELCOM and the Baltic Development Forum. Thus there is great institutional capacity to deal with some of the problems.

There are four priorities of the programme area. Priority 1 focuses on advancing innovation-based regional development and support to SMEs as well as

technology and knowledge transfer. Priority 2 is focused on development of transnational solutions to diminish the function barriers in terms of flow of goods and people. Priority 3 aims to improve the management of the Baltic Sea and better its environmental state. Priority 4 aims to ensure cooperation of metropolitan regions, cities and rural areas to enhance the BSR identity and attractiveness for citizens and investors.

Table 9: Priorities of the Baltic Sea Region Programme 2007-2013

Priority 1. Fostering of innovations across the BSR	Priority 2. External and internal accessibility of the BSR	Priority 3. Management of the Baltic Sea as a common resource	Priority 4. Promoting attractive and competitive cities and regions
Providing support for innovation sources	Promoting of transport and ICT measures enhancing accessibility and sustainable socio-economic growth	Water management with special attention to challenges caused by increasing economic activities and climate change	Strengthening metropolitan regions, cities and urban areas as engines of economic development
Facilitating the technology transfer and diffusion of knowledge across the BSR	Actions stimulating further integration within existing transnational development zones and creation of new ones	Economic management of open sea areas and sustainable use of marine resources	Strategic support for integrated BSR development and socio-economic and territorial cohesion
Strengthening the social capacity in generation and absorption of new knowledge		Enhanced maritime safety	Strengthening social conditions and impacts of regional and city development
		Integrated development of off-shore and coastal areas	

In addition the programme features a number of horizontal issues that should be addressed in a project proposals: 1) Promoting of innovative approaches, 2) ensuring sustainable development, 3) strengthening territorial cohesion, 4) ensuring equal opportunities, including the gender perspective, and 5) public participation in transnational territorial development actions.

Developments during the programme period

The Final Evaluation Report of the Strategic Evaluation in the Baltic Sea Region Programme 2007-2013 by DeaBaltika¹¹⁰ reiterates that the EU Strategy for the Baltic Sea Region will be one of the main policy frameworks for the future of the BSR programme, although there are still some limitations in implementing the EUSBSR in the current programme. But in general the EUSBSR and the Programme reinforce one another. The EUSBSR

¹¹⁰ DeaBaltika (2011), Strategic Evaluation in the Baltic Sea Region Programme 2007-2013. Final Evaluation Report. 7 June 2011.

is to serve as a general overall framework for all of the programmes in the region, but since the Strategy's geographical area overlaps most closely with the BSR Programme, the evaluation pointed out the risk that the Programme is too closely associated with the strategy in terms of being the main financial instrument of the EUSBSR. Another important factor to be considered is that the ERDF allocation of the BSR programme is only about 0,5% of the total Structural fund support for the EUSBSR in the area. Thus future programmes and projects will have to be more closely "niched".¹¹¹

The thematic priorities of the EUSBSR are in general a bit wider than the BSR Programme and thus far the Strategy does not particularly support actions towards territorial cohesion (development of functional areas, urban-rural relations), which are covered in Priority 4 of the Programme. This is an important area for helping to minimize the West-East divide.

¹¹¹ Ibid.

Summary of the Baltic Sea Region

programme

Based on the regional profile and description of characteristics of the Baltic Sea Region area and the the programme we have tried to summarize the key programme in the text box below:

Baltic Sea Region programme area

Regional potentials and challenges

- High population density in metropolitan areas, while the rest of the area is sparsely populated
- Positive population development in metropolitan areas, negative development in the rest of the area
- Highest increase in unemployment in Estonia, Latvia, and Lithuania
- Comparatively high GDP in the Nordic countries, most of the remaining area below EU27 average
- primary production is still more important in large parts of Poland, Lithuania and Latvia than in other parts of the Baltic Sea Region
- High R&D intensity in metropolitan regions in the Nordic countries, otherwise generally low
- In the southern part the road and railway systems are extensive while limited in the northern part, maritime transport is of high importance

Prioritised areas of the 2007-2013 programme period

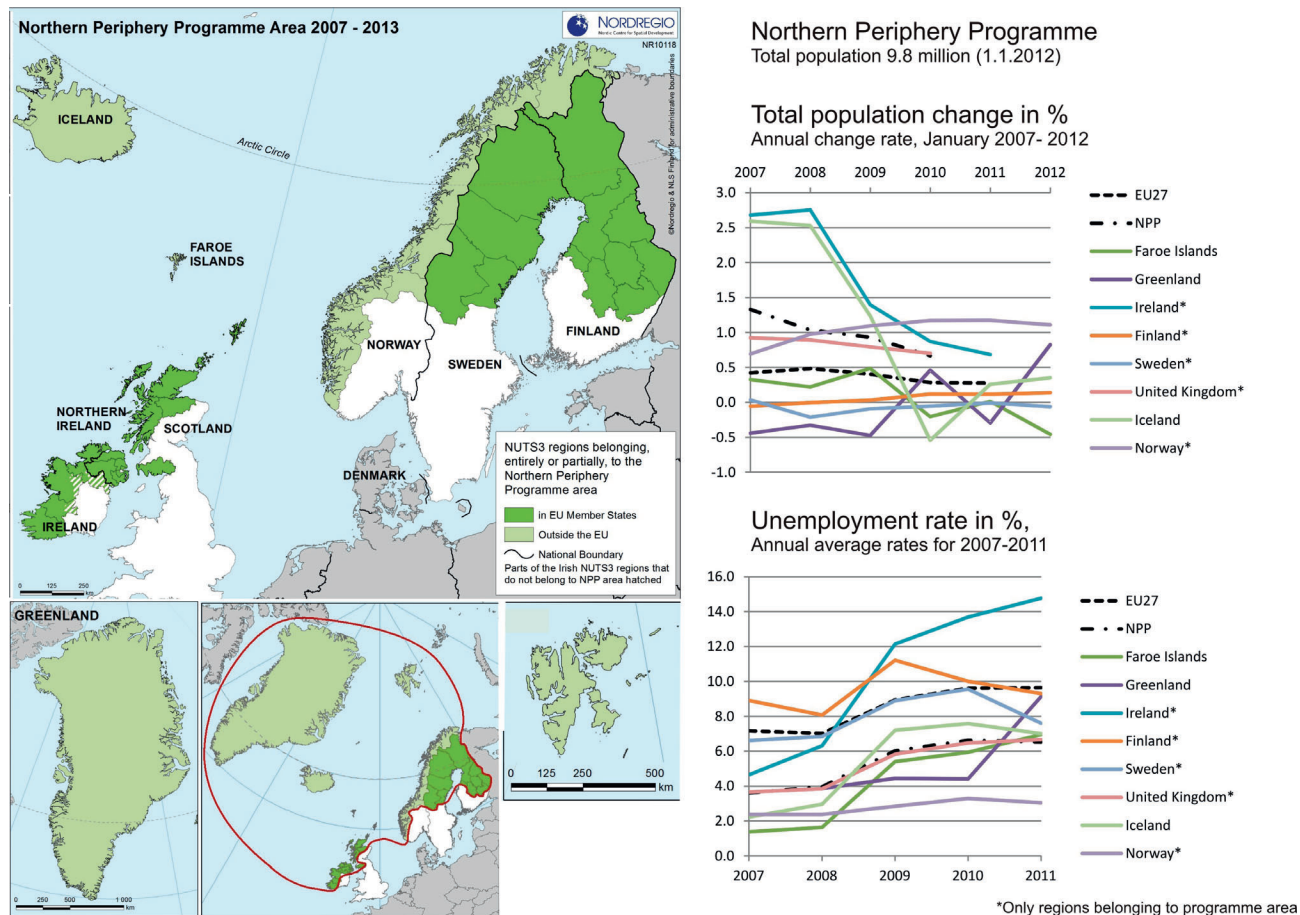
- Fostering of innovations across the BSR
- External and internal accessibility of the BSR
- Management of the Baltic Sea as a common resource
- Promoting attractive and competitive cities and regions

NORTHERN PERIPHERY PROGRAMME

The programme covers the northern and eastern part of Finland, the northern part of Sweden, the north and western parts of Norway, Scotland, and Northern

Ireland, the western part of Ireland, Iceland, Greenland and the Faroe Islands.

Figure 11: Map of the Northern Periphery programme area and graphs displaying total population change in % from 2007-2012 and unemployment rate in % from 2007-2011 in the programme area.



Regional profile of the programme area

Population

The total population of the area is 9.8 million inhabitants and the average population density is as low as 2.6 inhabitants/km².¹¹² The area is characterized by very long distances and the different parts of the programme area are separated by sea which puts specific challenges to the area. The population is unevenly distributed across the territory, population density is highest in Northern Ireland with 82 inhabitants/km² and lowest in Greenland with 0.1 inhabitants/km²¹¹³ followed by Iceland with 2.9 inhabitants/km².¹¹⁴

As shown in the upper graph in figure 11 the

¹¹² Northern Periphery programme 2007-2013, Operational Programme

¹¹³ This figure refers to the ice-free part of Greenland. For further details see Northern Periphery Programme 2007-2013, Operational programme.

¹¹⁴ Northern Periphery programme 2007-2013, Operational Programme

total population change for the whole programme area has been positive from 2007 to 2010 but the annual change rate has decreased, thus there is a smaller annual increase than before.

If we look at the net migration (see map 14 in appendix) there was a high negative net-migration from Iceland, Ireland, Svalbard, and the Faroe islands in 2010. Greenland, most of the Finnish part of the programme area, as well as to a minor extent the Swedish part of the area also experienced negative net-migration. The Norwegian part of the programme area, parts of Sweden and Finland, most of Scotland, and most of Northern Ireland experienced a positive or balanced net-migration.¹¹⁵

In many parts of the programme area the population is relatively young and birth day is high in a

¹¹⁵ See map 14 in Appendix

European perspective, especially in Greenland, Iceland and the Faroe islands. In these parts of the programme area there is a surplus of young people aged 15-24 years compared to those aged 55-64 years.¹¹⁶

Education and labour market

The Northern Periphery programme area has a total of 23,6% of students in higher education from the countries involved in the programme, and 34,3% of the countries' higher education institutions are based in the area (figures from 2004). However, there is great variation between the different parts of the programme area. Youth out-migration and shortages of skilled labour are of concern in some parts of the programme area.¹¹⁷

As shown in the lower graph in figure 11 the unemployment rate in the programme area has increased the most in the Irish part of the area from below 5% in 2007 to above 15% in 2012. Greenland, Faroe islands and Iceland have also experienced a relatively strong increase in unemployment. The Norwegian parts of the area have had the most stable situation when it comes to unemployment rate.

Economic structure and innovation

GDP per capita in purchasing power standards varies across the programme area. The southern part of the Irish and Norwegian programme area was well above the EU27 average with an index over 150. Iceland, Greenland, the Faroe Islands, Sweden, and Keski-Pohjanmaa in Finland were also indexed above 100, while the rest of the Finnish programme area, Scotland, Northern Ireland, and the remaining part of Ireland had a GDP per capita below the EU27 average.¹¹⁸

Primary production is dominating in the programme area and the share of persons employed in primary production is higher than both national and EU averages. The area is characterized by an abundance of natural resources in form of oil, natural gas, iron ore, timber, fish etc. Dependency on the public sector for employment within the programme area remains high.¹¹⁹

The sparse population, long distances to main markets, a harsh climate and fragile environment challenge the economic development.

Infrastructure and accessibility across national borders

Because of their remote location most parts of the programme area are dependent on air transports to travel both within the area and to the main European

¹¹⁶ See map 5 in Appendix

¹¹⁷ Northern Periphery programme 2007-2013, Operational Programme

¹¹⁸ See map 17 in appendix

¹¹⁹ Northern Periphery Programme 2007-2013, Operational Programme

markets. Maritime transports are also crucial for the area but this also implies challenges related to safety issues, pollution etc.¹²⁰ Access by road is limited due to long distances but also related to topography (especially in Norway) and harsh climate conditions.

Renewable energy

There are large potentials both for generation of renewable energy and for a higher use of renewables in the area. Participant countries in the programme area have a higher share of renewable energy in their total energy consumption than in most other countries of the industrialized part of the world. In the Nordic part of the programme area it is evident that a high share of total electricity production is based on renewable energy sources, especially hydropower is a dominant energy source for electricity production. Other renewable energy sources which are utilised are geothermal energy in Iceland, some wind energy in Norway, and bioenergy in Sweden and Finland. In Finland approximately one third of the electricity production is based on conventional thermal. Electricity is also partly produced from hydropower on the Faroe Islands and Greenland, however more than half is generated from conventional thermal.¹²¹

Description of the programme

The Northern Periphery Programme 2007-2013 (NPP) covers many of the northernmost regions of Europe and its neighbouring countries. The current programme builds on collaboration gained in early programmes: Article 10 (1998-1999) and INTERREG IIIB Northern Periphery Programme (2000-2006).

The vision of the programme is *“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”*. This vision is buttressed by two objectives: 1) To promote competitiveness, innovation and networking and facilitate the development and use of ICT and transport, and 2) To strengthen synergies between environmental protection and growth and improve sustainable development, urban-rural relations and regional heritage. In turn the objectives give rise to two priorities. Priority 1 focuses on competitiveness to attract investment, enterprises, skilled labour and young people with the sustainable development in the areas of innovation and accessibility. Priority 2 sees the natural environment of the area as a major asset. Its maintenance is thus of global importance and the distinct cultural heritage can be viewed as a significant advantage.

¹²⁰ Ibid.

¹²¹ See map 7 in Appendix

Table 10: Priorities in the Northern Periphery programme 2007-2013

Priority 1. Promoting innovation and competitiveness in remote and peripheral areas	Priority 2. Sustainable development of natural and community resources
Innovation, networks and competitiveness	Environment as an asset in the periphery
Accessibility	Urban-rural development and promotion of heritage

Developments during the programme period

The Annual Report 2011 show how the project strategies and priorities have changed somewhat during the implementation period. First, like most territorial cooperation projects, the strategic EU focus has moved from alignment with the Lisbon and Gothenburg strategies to alignment with *Europe 2020* and *the EU Sustainable Development Strategy*. As a result, more lately the NPP is demonstrating how it can contribute to inclusive, sustainable and smart growth. This is said to be one of the main reasons for the high performance and success of the programme.¹²²

In terms of complementarity with other instruments, the NP is already examining how its goals can complement those of the European Social Fund, the European Agricultural Fund for Rural Development and European Fishery Fund in addition to other financial instruments. While there are areas for synergies with these instruments, there is little risk of overlap since the NPP has a very specific focus on peripheral, remote and sparsely populated areas.

As with all other programmes under the Territorial Cooperation Objective, the Northern Periphery Programme is to incorporate suggestions as to how it can implement the EU Strategy for the Baltic Sea Region (EUSBSR) in its Programme. The Annual Report 2010 concluded that there may very well be projects that can contribute to the EUSBSR within the NPP, but since the eligibility areas of the NPP are quite different to the EUSBSR (compared to the BSR Programme where the geographical areas almost exactly overlap), that the specific conditions of the NPP programme do not immediately fit into the EUSBSR priorities.¹²³

Since 2008 the EU Commission has been preparing its

position and activities on arctic issues and the Northern Periphery Programme since then has reflected a stronger focus on the European Arctic. This focus will presumably remain in the future.

The Northern Periphery Programme was directly affected by the financial crisis. Scotland, Island, Ireland and North Ireland have initiated strong austerity measures. In turn, this has affected programme indicators such as number of jobs created, patterns of consumption, and propensity for entrepreneurial activity. This has even lead to some project partners in Ireland and North Ireland withdrawing due to lack of national co-funding. But most saliently for the programme was the Icelandic decommitment of EUR 1 130 000 from the programme budget due to the depreciating of the Icelandic Krona.

In an evaluation for the Programme implementation in 2010 EPRC recommended the approval of main projects to assist in the generation of more strategic projects. The Programme Monitoring Committee identified three themes as particularly strategic for the area and where more support should be put.¹²⁴

1. Renewable energy solutions adapted for remote areas and to the scale of sparsely populated areas
2. Responding to climatic change in the Northern Periphery
3. Rural health and social services in the Northern Periphery Programme area

The idea is that in dialogue with on-going projects the geographical and socio-economic distinctiveness of the NPP can promote response in these areas.

¹²² Northern Periphery Programme 2007-2013 (2011). Annual Report 2011. 2011-06-29. European Territorial Cooperation Objective. CCI: 2007CB163PO027.

¹²³ Northern Periphery Programme 2007-2013 (2010). Annual Report 2010. 2011-06-29. European Territorial Cooperation Objective. CCI: 2007CB163PO027.

¹²⁴ Ibid, p.33

Summary of the Northern Periphery

Programme

Based on the regional profile and description of the of the Northern Periphery area and the programme in the programme we have summarized the key characteristics the text box below:

Northern Periphery programme area

Regional potentials and challenges

- Low population density and long distances
- Large differences in population development across the area
- Highest increase in unemployment rate in Ireland as well as in Greenland, Faroe islands and Iceland.
- GDP ranging from well above EU27 average (Norway and part of Ireland) to below average (Finland, Scotland, Northern Ireland, and part of Ireland)
- Primary production is dominating and in terms of number of jobs it is above EU and national averages, abundance of natural resources, dependency on the public sector for jobs
- Most parts of the area are dependent on air transports, also maritime transport is significant, access by road is limited due to long distances
- A strong renewable energy profile with a higher share of renewable energy in total energy consumption than in most other countries of the industrialised part of the world

Prioritised areas of the 2007-2013 programme period

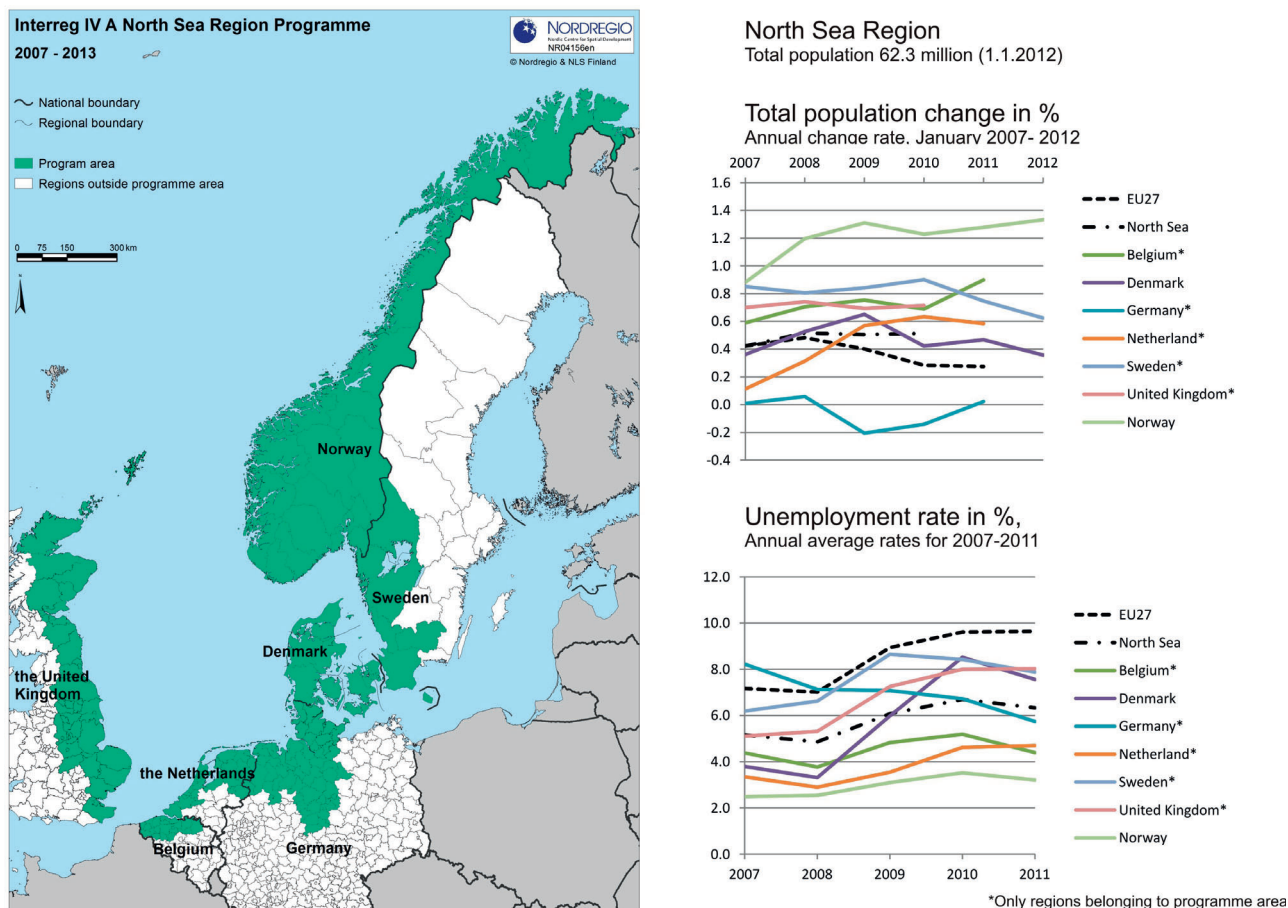
- Promoting innovation and competitiveness in remote and peripheral areas
- Sustainable development of natural and community resources

NORTH SEA PROGRAMME

The North Sea Region programme covers the whole of Norway and Denmark, the eastern part of the UK, the northern and western part of the Netherlands, parts of

the Flemish region in Belgium, the north western parts of Germany and the south western part of Sweden.¹²⁵

Figure 12: Map of the North Sea programme area and graphs displaying total population change in % from 2007-2012 and unemployment rate in % from 2007-2011 in the programme area.



Regional profile of the programme area

Population

The total population of the area is 62.3 million inhabitants. Norway has the largest share – 40% - of the land area of the programme area but its share of the total population is only 8%.¹²⁶ The North Sea Programme covers some of the most sparsely populated areas in the EU and at the same time some of the most densely populated, i.e. in the UK, Belgium, the Netherlands and Germany.

Demographic trends are similar across the territory: low birth rates, ageing population and migration – especially of young people - from rural areas to metropolitan regions. International immigration is strong in many parts of the area.¹²⁷ As shown in the upper graph in figure 12 the programme

area has experienced a positive population development during the period 2007-2012, i.e. the UK, Belgium, the Netherlands, Denmark, most of Norway and the Swedish part of the programme area. The German part of the programme area however has had a negative population development during this period.¹²⁸

Education and labour market

The education level is generally high across the North Sea Region programme area. As shown the lower graph in figure 12 unemployment has generally increased between 2008 and 2010. There is however parts of

¹²⁶ Ibid.

¹²⁷ Ibid.

¹²⁵ Operational programme, North Sea Region programme 2007-2013.

¹²⁸ See map 16 in appendix

the area with higher unemployment, especially regions in transition from industrial production and primary production to a more knowledge- and service-based economy.¹²⁹

Economic structure and innovation

GDP per capita in purchasing power standards is above the EU27 average in Norway, most of Denmark and Sweden, the western part of Scotland, Belgium and the Netherlands. The GDP is below the EU27 average in most of the UK and in the German part of the programme area.¹³⁰

Large parts of the programme area are still dependent on agriculture and fishery but there is an important on-going change in the economy. Especially in the UK and the German parts the importance of the industrial sector is diminishing leading to significant rise in unemployment. The North Sea area also contains metropolitan areas which benefit from the shift towards a more knowledge-intensive economy.

According to a regional performance index including indicators such as high-tech services, number of patents, public and private R&D investments and the share of persons employed in the knowledge-intensive industry, many parts of the programme area, such as Denmark, Belgium, the Netherlands and south west Sweden, have a high or very high regional innovation performance.¹³¹

Infrastructure and accessibility across borders

The challenges related to accessibility vary to a large extent across the territory. Denmark, Belgium, the Netherlands, the German regions and parts of the UK area are close to (or even part of) the core markets of the EU whereas Norway, Sweden and Scotland are located at a considerable distance from core markets. Sea transport is crucial for the programme area and most goods shipped to Europe pass through this area. Some of the largest ports in the world are located in the programme area; Rotterdam, Antwerp and Hamburg.¹³² Renewable energy The extraction and export of oil and natural gas is important to Denmark, the UK, Norway and the Netherlands but there is an increasing potential within the area in renewable energy sources such as wind and wave power as well as hydropower.¹³³

Description of the programme

The North Sea Region (NSR) programme, with the INTERREG IIC and IIIB programmes as predecessors, had been run for a decade, as the programming period 2007-2013 was initiated. The INTERREG IV B programme draws on the previous experiences.

The overall aim of the Operational Programme is “*to make the North Sea region a better place to live, work and invest in*”. It has four sub-objectives: 1) Increase the overall level of innovation taking place across the North Sea Region, 2) Enhance the quality of the environment in the North Sea Region, 3) Improve the accessibility of places in the North Sea Region, and 4) Deliver sustainable and competitive communities. The OP has four prioritised areas shown in table 11 .

¹²⁹ Operational programme, North Sea Region programme 2007-2013.

¹³⁰ See map 17 in appendix

¹³¹ Lindqvist, M. (ed.) (2010), p.91

¹³² Operational programme, North Sea Region programme 2007-2013.

¹³³ Operational programme, North Sea Region programme 2007-2013.

Table 11: Priorities in the North Sea programme 2007-2013

Priority 1. Building on our capacity for innovation	Priority 2. The sustainable management of our environment	Priority 3. Improving the accessibility of places in the NSR	Priority 4. Promoting sustainable and competitive communities
Building the innovation capacity of businesses	Sustainable development of the coastal land and sea areas through integrated coastal zone management	To promote regional accessibility strategies	Tackling the needs of areas in decline
Building the transnational dimension of clusters and research and innovation networks	Developing preventative and responsive measures to address acute and chronic marine pollution	To promote the development of multi-modal and transnational transport corridors	Promoting sustainable growth solutions for expanding areas
Building society and the institutional capacity for innovation	Adapting to and reducing risks posed to society and nature by a changing climate	To promote the development of efficient and effective logistics solutions	Promoting energy-efficiency in settlements
Promoting the adoption and use of ICT applications	Promoting environmentally-responsible energy production practices		

Developments during the programme period

As introduced in the annual report 2010, 12 projects have been funded under priority 1. Most projects concern the building of transnational dimensions of clusters and research and innovation networks, while there are no projects under the focus area concerning promoting the adoption and use of ICT applications. 15 projects have been approved under priority 2, and all the areas under this priority were over-performing as there were more projects compared to the original

objectives. 11 projects have been funded under priority 3, evenly distributed according to the three focus areas. Finally, a total of 8 projects have been funded under priority 4, also evenly distributed according to its three focus areas.

Summary of the North Sea programme

Based on the regional profile and description of the programme we have summarized the key characteristics of the North Sea Region programme in the text box below:

The North Sea Region programme area

Regional potentials and challenges

- Some of the most sparsely as well as most densely populated areas in the EU in the area
- Overall positive population development
- Unemployment rates are generally lower in the programme area compared to the EU average
- GDP above the EU27 average in most of the area
- Important sectors in some parts of the area are agriculture, fisheries and manufacturing, but in general a shift towards a more knowledge-intensive economy
- Denmark, Belgium, the Netherlands and the south west of Sweden have a high or very high regional innovation performance
- Norway, Sweden and Scotland are located at a considerable distance from core markets compared to the rest of the area, maritime transport important
- An increasing potential within the area in renewable energy sources such as wind and wave power and hydropower

Prioritised areas of the 2007-2013 programme period

- Building on our capacity for innovation
- The sustainable management of our environment
- Improving the accessibility of places in the NSR
- Promoting sustainable and competitive communities

Regional characteristics and added value

In this chapter we have provided an overview of each of the 8 cross-border programmes and the 3 transnational programmes within the ETC objective that cover Nordic regions. The regional profiles show that most of the programme areas are heterogonous when it comes to different indicators such as population density, economic structure, innovation pattern, accessibility and the use of renewable energy. The regional profiles also give an indication of what impact the economic and financial crisis have had on the different programme areas and here the pattern is equally heterogonous. Especially regions in Lithuania and Estonia experienced a strong increase in unemployment rate during the years after the outburst of the crisis in 2008. Most regions in

Norway have a low unemployment in comparison with other parts of Baltic Sea Region but Norwegian regions were also affected by the economic crisis. Even though they weren't as severely struck by the crisis as parts of the Baltic States, some regions in Sweden and Finland – mostly regions with a high share of export-intensive production - had a large increase in unemployment rate. It becomes also clear from the regional profiles that the situation in much of the Baltic Sea Region has slowly ameliorated from 2010 and onwards.

In the following chapter the regional characteristics of the programme areas and priorities in the current programmes 2007-2013 will be linked with the discussion on added value in chapter II.

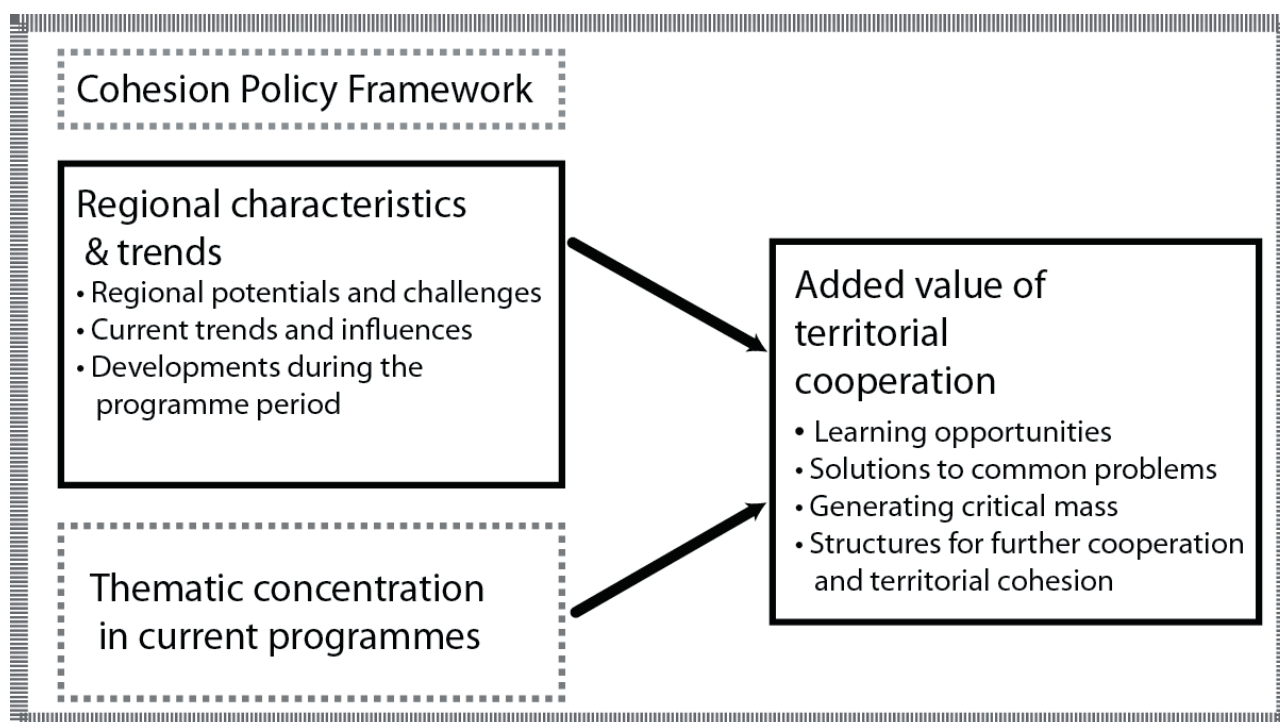
IV Added value of territorial cooperation and selection of thematic objectives

This chapter links together the previous chapters to examine how potential added value of projects can be coordinated with the regional characteristics and trends and the existing priorities and developments in the 2007-2013 programmes. How do we best choose among the thematic objectives? We propose that by examining added value in light of not only the Cohesion Policy framework, but the existing thematic concentration and the regional characteristics and trends, programmes might be better able to decide on the appropriate balance of thematically concentrated priorities that

provide value and impact.

In making the link between the added value of cross-border and transnational cooperation and greater thematic concentration of the coming 2014-2020 programmes, we propose a simple guideline structure (figure 13) by which programmes can consider their various thematic options together with certain impact assessments. All four boxes in the figure should ideally be considered in terms of different types of added value when selecting themes for the programmes.

Figure 13: Guideline structure for selection of thematic objectives in the coming programming period 2014-2020



The box *Cohesion Policy Framework* sets the more overall context and requirements of EU Cohesion Policy such as the coherence with other CSF programmes, the implementation of the EU Strategy for the Baltic Sea Region and coordination with Europe 2020 priorities. The box *Regional Characteristics and Trends* reflects the different types of regional characteristics considered in

chapter 3 that have to be taken into consideration when selecting thematic objectives. These can be (more or less) static territorial features such as long distances to core markets, separation of different parts of the area by sea or mountains etc. It can also be current trends such as demographic change, globalisation of the economy and climate change. In addition it can include developments

during the programme period, such as the economic and state financial crisis that the EU is currently facing. The box *Thematic Concentration in current programmes* shows how the thematic objectives are mirrored in the current ETC programmes. This gives an indication of how well the existing programmes already reflect the new thematic objectives and thus the Europe 2020 priorities,

“smart, sustainable and inclusive growth”.

The two boxes *Regional Characteristics and Trends* and *Thematic Concentration in current programmes* feed into the box *Added Value of Territorial Cooperation* box which contains the four types of added value set up and discussed in chapter 2 and below.

Cohesion Policy Framework

While the discussion on added value introduced in chapter 2 highlights processes such as learning and thinking about new types of solutions, one of the rationales behind the thematic concentration is to achieve clearly identifiable impacts.¹³⁴ Thus choosing thematic objectives will include both considerations of added value and consideration of the type of sectoral (or inter-sectoral) actions that can have the most impact for the specific territorial characteristics of the programming area, for dealing with changing trends and challenges and in light of the demand for coherence with other funding opportunities and in the CSF.

The Cohesion Policy Frameworks set the overall context for ETC programmes. This includes not only the CSF as discussed in chapter 1, but also the framework of the Europe 2020 priorities and targets to achieve smart, inclusive and sustainable growth. In light of the need to coordinate Territorial Cooperation programmes with other CSF programmes it is particularly important for programmes to consider which thematic objectives contribute the most added value in the cross-border or transnational perspective, rather than within a more sectoral development perspective by use of other funds of Objectives.

Priorities of the Nordic/Baltic ETC programmes, particularly the transnational programmes, should also consider how they could potentially contribute to implementing the EUSBSR within the areas delineated by the EUSBSR Action Programme to make the region environmentally sustainable, prosperous, accessible and attractive, as well as safe and secure.¹³⁵ Thus during the next programming period, programmes will have to consider thematic objectives which may have the potential as a strategic or flagship project of the EUSBSR.

In addition to the thematic concentration a number of investment priorities within the thematic objectives shall be supported, including for cross-border cooperation, the integration of labour markets, cross-border mobility, joint employment and training, gender equality and equal opportunities, joint education and training schemes and legal and administrative cooperation. Within transnational cooperation the development and implementing of macro-regional and sea-basin strategies is a main investment priority. One way to deal with these demands is to instigate a number of horizontal priorities by which programmes can ensure topicality and relevance. The evaluation report of BSR-Programme 2007-2013 by DeaBaltika¹³⁶ went as far as to state that:

*“The main added value potential of the Programme lies less in thematic areas, but more in types of activities the Programme can support and in the range of the stakeholders it can engage. The Programme’s horizontal results ... (innovative approaches, sustainable development, territorial cohesion, equal opportunities and public participation) ... can therefore be considered as the main added value of the Programme.”*¹³⁷

Thus not only thematic objectives, but also horizontal priorities will be a way of creating territorial added value of the ETC programmes.

¹³⁴ COM (2011), Proposal for a regulation of the European Parliament and the Council on specific provisions for the support from the ERDF to the ETC goal, 661 final/2, 2011/0273 (COD), Brussels.

¹³⁵ CEC (2009). Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions concerning the European Union Strategy for the Baltic Sea Region. Action Plan, COM (2009) 248. January 2012 Version.

¹³⁶ DeaBaltika (2011)

¹³⁷ DeaBaltika (2011)

Regional characteristics and trends

The regional characteristics of the programming region are arguably the most important aspect to take into consideration in choosing future thematic objectives that provide an added value for the ETC programmes. As shown in summarised text boxes in chapter 3, the regional profiles of the programming areas exhibit different regional potentials and challenges including population developments and population density, economic performance and unemployment, degree of specialisation on different sectors, R&D intensity and cross-border commuting. Territorial cooperation priorities and projects in the next period should be closely aligned to addressing particular common potentials or challenges within the programming area. However when making decisions on the thematic priorities, programming areas can choose to create value by focusing on boosting existing competitiveness in areas where the region is already strong on both sides of the border (more homogenous areas), or by addressing questions of convergence where there are larger disparities among the various regions (more heterogeneous regions).

Another aspect of the regional characteristics concerns the developments during the existing period (2007-2013). The economic crisis has hit regions in very different ways, with some regions being more resilient and others more vulnerable. This is the reason we have delineated in chapter 3 some of the more important developments to the programming areas that have happened since the OPs were developed. While it is important to remember that future programme priorities should deal more with long-term trends, the short-term effects of endogenous or exogenous events will greatly influence the political decisions for local/regional development and co-financing.

Finally, even if we are looking forward towards the 2014-2020 period, the prioritised areas for 2007-2013 remain important if regions want to create added value by building upon capacities and routines already developed. Thus how the programmes are already addressing thematic concentration to the 11 themes will give some indication as to where areas where the programmes are strong and where gaps in the existing priorities lie.

Thematic concentration

The 11 thematic objectives of the CSF closely mirror the more general thematic priorities of Europe 2020 for smart, sustainable and inclusive growth, as well as themes which cross-cut these categories. Figure 13 shows how the various thematic priorities form a closed circle with several of the themes highly interrelated to the three dimensions of Europe 2020 and to each other: In order to ascertain how the programmes are already addressing the 11 possible themes we categorized the priorities and sub-priorities of all of the 2007-2013 programmes (and sub-programmes) to reflect these themes (see table 14). From this table several observations can be made.

The categorization of the priorities shown in table 14 does not necessarily reflect the implementation of the programme, i.e. the actual projects funded within the programmes, but rather the priorities taken when developing the OPs, “translated” into the corresponding list of “new” priorities.

First of all when it comes to “*smart growth*”, all programmes have a focus on Competitiveness of SMEs, and nearly all the programme also support Research, technological development and innovation. While these two priorities can be complementary, their value added might be more territorially dependent. For instance the

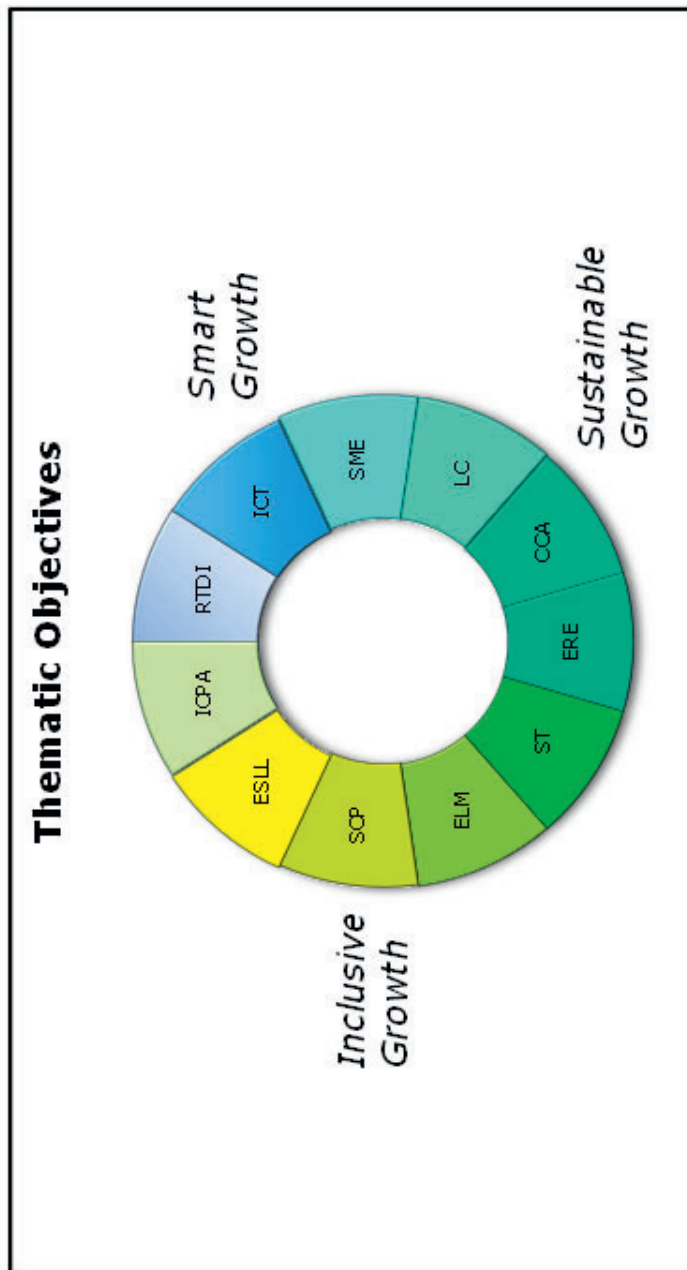
goal to support Research, Technological Development and Innovation might provide greater added value in programmes that include major metropolitan areas supporting knowledge infrastructure like universities and science parks, such as the South Baltic or the ÖKS programmes. Conversely support to SMEs might provide more relative added value in programmes that contain medium-sized or small cities where the impact of SME establishment might be more visible. Only a few programmes focus now on Information and communication technologies (ICT) as a thematic priority. This is presumably because the spread of ICT as already been accomplished in both the Nordic and the Baltic countries and thus it may not be an important theme to focus on in the next period.

With regard to “*sustainable growth*”, all of the programmes, with the exception of the Nord and ÖKS programmes, currently focus priorities on protecting the environment and promoting resource efficiency. The Nord, Botnia-Atlantica, Syddanmark-Schleswig-K.E.R.N, South Baltic, Northern Periphery and North Sea Programmes are already addressing the cross-cutting theme of a shift towards a low-carbon economy. Only the Baltic Sea Region and North Sea Programmes currently have a priority or sub-priority to

Key to table and figure	
1. RTDI	Research, technological development and innovation
2. ICT	Information and communication technologies
3. SME	Competitiveness of SMEs
4. LC	Shift towards low-carbon economy
5. CCA	Climate change adaptation and risk prevention and management
6. ERE	Protecting the environment and promoting resources efficiency
7. ST	Sustainable transport and removing bottlenecks in key network infrastructures
8. ELM	Employment and support labour mobility
9. SCP	Social inclusion and combating poverty
10. ESLL	Education, skills and life-long learning
11. ICPA	Institutional capacity and an efficient public administration

Figure 14 (upper left): Diagram illustrating the relation between the 11 thematic objectives and the three dimensions of the Europe 2020 strategy

Table 12 (left): Priorities and sub-priorities of each of the 11 ETC programmes 2007-2013 categorized to reflect the 11 themes



	1. RTDI	2. ICT	3. SME	4. LC	5. CCA	6. ERE	7. ST	8. ELM	9. SCP	10. ESLL	11. ICPA
Nord	x	x	x	x					x		
Nord Sápmi									x		
Botnia-Atlantica			x	x		x	x		x	x	
SE-NO NordicGreenbelt	x		x			x	x		x	x	
SE-NO InnerScandinavia	x		x			x	x		x	x	
SE-NO Borderless Coop	x		x			x	x		x	x	
ÖKS Öresund	x		x				x		x	x	
ÖKSKattagat-Skagerrak	x		x				x		x	x	
Syddanmark-Schleswig-K.E.R.N	x		x	x		x	x	x	x	x	
Fehmarnbelt	x		x			x		x	x	x	
CB Central Baltic			x			x	x	x	x	x	
CB Southern Finland-Estonia			x			x	x	x	x		
CB Archipelago and Islands			x			x	x	x	x	x	
South Baltic			x	x		x	x		x	x	
Baltic Sea Region	x	x	x		x	x	x		x	x	
Northern Periphery	x		x	x		x		x			
North Sea	x	x	x	x	x	x	x				

deal with climate change adaptation and risk prevention and management. It thus appears that programmes approach the sustainable growth priorities in a fairly

traditional way. Considering that the Nordic countries are in many ways forerunners in areas such as green growth and climate change mitigation there seems, however, to be further scope in many programmes, especially those already supporting resource efficiency, to go towards measures that support a low-carbon economy in the next period.

Measures and priorities to address the “*inclusive growth*” dimension, for equitable transport, social inclusion and labour market mobility are quite dispersed. Most of the programmes have sustainable transport priorities and particularly the cross-border cooperation programmes address social inclusion and combating poverty. Primarily those programmes located in the southern, more densely populated part of the Baltic Sea Region (Syddanmark-Schleswig-K.E.R.N, Fehmarnbelt and South Baltic) address employment and labour mobility within the cross-border programmes and this may be due to the already strong preconditions for commuting across borders. This also is a priority in the Northern Periphery Programme, although for very different reasons (limited access to job opportunities).

The thematic objectives of Education, skills and life-long learning, as well as Institutional capacity and efficient public administration are also cross-cutting themes which are at the intersection of *inclusive growth* and *smart growth* priorities. Most of the programmes make at least some priority reference to one of these. Such themes help to facilitate the transnational or cross-border learning aspect of added value (see below) and thus may complement other more sectoral thematic

objectives in the new programming period.

When it comes to the individual programmes we see that a few of the programme areas already have quite concentrated thematic priorities, particularly the Nord programme which is highly concentrated on *smart growth* themes. The transnational programmes in the far north (Northern Periphery and North Sea), as well as the Botnia-Atlantica cross-border programme currently have a pronounced emphasis on *sustainable growth* priorities. Other programmes, especially those with greater heterogeneity of regions (the South and Central Baltic Programmes and Baltic Sea Programme which include regions from the Baltic countries, in which the economic base is more diversified), tend to have a more dispersed set of thematic priorities, most likely to reflect the persisting disparities in socio-economic status between the “east” and “western” parts of the Baltic Sea Region.

The implications for the programmes of tightening the thematic scope of their priorities may be a political and administrative challenge. Programmes will want to build on those forms of existing thematic cooperation that work well in order to retain momentum from one programme period to the next. At the same time programmes will have to “think outside of the box” in defining new priorities that correspond with the changing circumstances and trends that affect the regions. Perhaps one solution to this would be to focus on similar, but updated versions of existing priorities, especially those which lie at the intersections between smart, sustainable and inclusive growth (shift towards a low-carbon economy, sustainable transport, and Education, skills and life-long learning, as well as institutional capacity).

Added value considerations/recommendations

In chapter 2 we operationalized the idea of added value in ETC programmes by synthesizing policy debates, evaluation experience and theoretical analysis of added value, transnational learning and transnationality. This was distilled as a focus on territorial added value in terms of 1) Learning opportunities, 2) Solutions to common problems, 3) Generating critical mass, and 4) Structures for further cooperation. We have looked at to what extent the current programmes have addressed added value in explicit or implicit ways and provide some guidance as to which thematic objectives the new programmes may wish to focus on in order to achieve the particular type of added value.

Learning opportunities and knowledge generation

All programmes implicitly acknowledge the value in territorial cooperation for increasing knowledge and learning potentials. A current example is how the Central Baltic programme discusses how knowledge transfer must be a visible method to create cross-border added value. With the increased demand for more measurable results in the coming period, the challenge for programmes will be to find ways to make knowledge transfer more concrete and to quantify learning and assess its impact on territorial development of the areas. A focus on the thematic objective of Education, skills and life-long learning may be expected to provide explicit cross-border added value in terms of learning and knowledge generation. Other areas where learning

and generation of knowledge added value might be realised more implicitly include Shift towards a low-carbon economy and climate change adaptation and risk prevention, as these priorities are partly dependent on cutting-edge technologies and research which may be obtained in a cross-border or transnational setting.

Solutions to common problems

While several programmes acknowledge this aspect of added value in terms of joint implementation and joint solutions (such as the Botnia-Atlantica Programme and Northern Periphery Programme), the Baltic Sea Region Programme most specifically supports projects and finds added value in finding solutions to problems that are shared. This is reflected also in the Priority area of the Baltic Sea as a Common Resource. It is somewhat surprising that the existing programmes make reference to this, but do not necessarily make this a main added value contingency of the programmes. We expect that with a concentration of resources and priorities, developing solutions to truly common territorial problems will be a more vital concern for territorial cooperation projects during the next period. For this type of added value, certain thematic priorities lend themselves better to the development of a common cross-border “good”. For example, the sustainable growth themes and sustainable infrastructure, but other themes also lend themselves to the creation of common solutions, even to problems which manifest themselves slightly differently within the programming area, such as ways of dealing with social inclusion. But in general this aspect of dealing jointly with a cross-border common good is more specific to ETC programmes than to other CSF programmes or objectives and has a strong potential to build true territorial added value.

Generating critical mass

This aspect of added value may be particularly relevant

for many of the programmes in the Nordic Countries and Baltic Sea Region that are characterised by sparsely populated areas and long distances between major urban centres. Both the Nord programme and the ÖKS programme discuss the added value of cross-border cooperation in light of critical mass for innovation systems and clusters. The ÖKS programme also highlights the importance of critical mass for common cultural and sporting events. Thematic objectives of the new programmes that may contribute to the generation of critical mass include sustainable transport to provide access to cross-border markets, events and consumers, as well as Research, technological development and innovation, whereby innovation can be addressed in a wider territorial scope.

Structures for further cooperation and territorial cohesion

Included in this category are structures for both institutional capacity cooperation and physical concrete structures which facilitate further cooperation and achieving territorial cohesion. Discussions in the Fehmarnbelt Programme showcase how the tunnel beneath the sound will make future cooperation and cohesion in the area easier. The South Baltic Programme implicitly finds added value in how the new programme area builds on and institutionalises previous cooperative efforts, such as INTERREG IIIA projects and the work of Euroregion Baltic. It also discusses complementarity with other programmes for territorial cooperation. In order to create this type of added value programmes can concentrate on Sustainable infrastructure types of thematic objectives, but also on Competitiveness of SMEs and Social inclusion and combating poverty as these priorities contribute to competitiveness within the regions as well as in a territorial cohesion in the cross - border or transnational perspective.

Concluding remarks

In the end it is up to policymakers and programming authorities in each programme area to choose a limited number of priorities from among the 11 thematic objectives. In lieu of giving specific recommendations as to which priorities are most relevant for which programmes we have sketched a type of “decision-aid” that could be used to consider making such decisions in light of the four elements distinguished in the four boxes in figure 13: the Cohesion Policy Framework, the Regional characteristics and trends, the Thematic

concentration in current programmes and in particular the type of Added value of territorial cooperation that is desired.

This short study has not been able to fully address several questions which might prove relevant for further analysis. These include a more structured analysis of how added value could be more systematically measured in studies and evaluations and how synergies could be realised among the five CSF Funds and among Cohesion Policy Objectives. These would demand

longer-term and broader scope studies as well as access to completed project databases and finalised *ex post* evaluations of the 2007-2013 period.

References

Programme documents

Nord

Gränslösa möjligheter, INTERREG IVA Nord, Årsrapport 2011

INTERREG IVA Nord 2007-2013, Operationellt program

På väg mot ett gränsöverskridande innovationssystem i Nord, slutrapport från utvärderingen av INTERREG IVA Nord, Kontigo, maj 2012

Botnia Atlantica

Europeiskt Territoriellt samarbete, Botnia Atlantica 2007-2013.

Övervakningskommittens sekretariat (2010) Utvärdering av genomförande-organisationen för INTERREG IVA Botnia Atlantica-programmet, Slutversion mars 2010. Tillväxtverket.

Årsrapport för Botnia-Atlanticaprogrammet 2007-2013 (2010).

Årsrapport för Botnia-Atlantica-programmet 2007-2013 (2011)

Sverige-Norge

INTERREG Sverige-Norge 2007-2013 (2007) Program för Europeiskt Territoriellt Samarbete. CCI: 2007CB163PO016.

INTERREG Sverige-Norge 2007-2013 (2011). Rapporteringsår 2011.

Öresund-Kattegatt-Skagerrak

Program för europeiskt territoriellt samarbete, INTERREG IV A Öresund-Kattegatt-Skagerrak 2007-2013, Svensk utgåva.

Ramböll Management (2006) NUTEK förhandsutvärdering Mål 3 Öresund, Kattegatt-Skagerrak, Final Report Dec 2006, Stockholm, Sweden.

Ramböll (2010) Samverkan kring Öresund, Kattegatt och Skagerrak: Gränsöverskridande mer-värde i sex projekt. Tillväxtverket.

Årsrapport (2010), Territoriellt Samarbetsprogram, INTERREG IV A Öresund-Kattegatt-Skagerrak 2007-2013

Årsrapport (2011), Territoriellt Samarbetsprogram, INTERREG IV A Öresund-Kattegatt-Skagerrak 2007-2013

Syddanmark-Schleswig-K.E.R.N.

DSN, EPINION, ADVANCE/1 (2007) Ex-ante evalueringsrapport INTERREG IV A Syddanmark-Schleswig-K.E.R.N. 2007-2013.

Operationelt Program for Syddanmark-Schleswig-K.E.R.N. 2007-2013 INTERREG IV A, November 2007.

Årsrapport 2010, om gennemførelsen af det operationelle program ”INTERREG 4 A Syddanmark-Schleswig-K.E.R.N.”

Fehmarnbelt region

Epinion, Advance/1, dsn (2011) Løbende evaluering af det operationelle program INTERREG IV A ”Fehmarnbeltregion” 2007-2013, Maj 2011.

Fehmarnbelt Region 2007-2013, Årsrapport 2011

Operationelt program, Europæisk territoriellt samarbejde (INTERREG IV A) 2007-2013, Fehmarnbelt Region, Sjælland, Plön, Ostholstein, Lubeck (2007CB163PO057).

Central Baltic

Central Baltic INTERREG IVA Programme 2007-2013: Cross-border co-operation programme under the European Territorial Co-operation objective. Final Draft revised version 30.12.2010. CCI no. 2007CB163PO066.

DeaBaltika (2012). Evaluation of the Central Baltic INTERREG IVA Programme 2007-2013. Final Follow-up Evaluation Report. 16 April 2012. Approved by the Monitoring Committee 10 May 2012.

Sweco Eurofutures (2007). Ex-ante Evaluation and Strategic Environmental Assessment of the central Baltic Cross-border Programme 2007-2013. Final report 24 April 2007.

South Baltic

South Baltic Cross-border Co-Operation Programme: Operational Programme approved by the European Commission on 20th December 2007.

Annual Implementation Report 2010 (2011) South Baltic Cross-border co-operation Programme 2007-2013. Annual Implementation report 2010 according to Art. 67 of Council regulation (CE) 1083/2006 of 11th July 2006. Warsaw. June 2011.

Baltic Sea Region

Baltic Sea Region Programme 2007-2013 (2007). Programme under European Territorial Co-operation Objective and European Neighbourhood and Partnership Instrument. Final approved version 3.0 as of 05 January 2012. CCI no. 2007CB163PO020.

DeaBaltika (2011), Strategic Evaluation in the Baltic Sea Region Programme 2007-2013. Final Evaluation Report. 7 June 2011.

Northern Periphery

Northern Periphery Programme 2007-2013 (2007). Operational Programme under European Territorial Cooperation Objective. CCI no. 2007CB163PO027.

Northern Periphery Programme 2007-2013 (2010). Annual Report 2010. 2011-06-29. European Territorial Cooperation Objective. CCI: 2007CB163PO027.

Northern Periphery Programme 2007-2013 (2011). Annual Report 2011. 2011-06-29. European Territorial Cooperation Objective. CCI: 2007CB163PO027.

North Sea Region

Annual Report 2010, North Sea Programme 2007-2013.

The INTERREG IVB North Sea Region Programme, Operational Programme 2007-2013, October 2008 version.

Other sources

Addressing demographic challenges. Demographic handbook of the Nordic countries and how the B7 Islands can make use of it. Nordregio Policy Brief, July 2012.

Bachtler J. and Taylor, S. (2003), "The Added Value of the Structural Funds: A Regional Perspective", IQ-Net Thematic Paper on the Future of the Structural Funds, Glasgow.

Böhme, K., Josserand, F., Ingi Haraldsson, P., Bachtler, J., Polverari, L. (2003) Trans-national Nordic-Scottish Co-operation: Lessons for Policy and Practice, Nordregio Working Paper 2003:3, Stockholm.

Colomb, C. (2007) The Added Value of Transnational Cooperation: Towards a New Framework for Evaluating Learning and Policy Change, Planning, Practice & Research, Vol. 22, No. 3, pp.347-372.

CEC (2009). Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions concerning the European Union Strategy for the Baltic Sea Region. Action Plan, COM (2009) 248. January 2012 Version.

Commission Staff Working Document (2012), Elements for a Common Strategic Framework 2014 to 2020, Brussels, 14.3.2012

COM (2011), Proposal for a regulation of the European Parliament and the Council on specific provisions for the support from the ERDF to the ETC goal, 661 final/2, 2011/0273 (COD), Brussels.

"Does Renewable Energy Provide New Rural Opportunities" Nordregio policy brief 2012:5, October 2012

Dühr, S., Nadin, V. (2007) Europeanization through Transnational Territorial Cooperation? The Case of INTERREG IIIB North-West Europe, Planning, Practice & Research, Vol. 22, No. 3, pp.373-394.

ESPON and Bundesamt für Bauwesen und Raumordnung (2006) ESPON project 2.4.2: Integrated analysis of Transnational and National Territories Based on ESPON results, Final Report, ESPON Coordination Unit.

Hachmann, V. (2008), "Promoting Learning in Transnational Networks", disP 172, 1, pp.11-20.

Lindqvist, M. (ed.) (2010), Regional Development in the Nordic Countries, Nordregio report 2010:2

Lähteenmäki-Smith, K., Dubois, A. (2006) Collective Learning through Transnational co-operation: The case of INTERREG IIIB, Nordregio Working Paper 2006:2, Stockholm.

Mairate, A. (2006), "The 'added value' of European Union Cohesion Policy", Regional Studies, 40, 2, pp.167-177

Nordiska Ministerrådet, Nordisk pendlingskarta 2011, <http://www.norden.org/sv/publikationer/publikationer/2011-568>

Nordiska Ministerrådet, Nordisk pendlingskarta, 2009, <http://www.norden.org/sv/publikationer/publikationer/2009-555>

Smith, P. and Dubois, A. (2008), Exploring the Baltic Sea Region, Nordregio Report 2008:3

StatNord, Nordisk gränsregional statistikdatabas, www.statnord.org

Van Well, L., Lange, S., Tepecik Dis, A., Kunert, L. (forthcoming), Transnational cooperation and learning on climate change adaptation in the Baltic Sea Region

Added Value of Cross-Border and Transnational Cooperation in Nordic regions: Appendix



NORDREGIO
Nordic Centre for Spatial Development



norden
Nordic Council of Ministers

List of maps

Map 1: Total number of females per 100 males in age spans 15-64 years in the Nordic countries in 2011.

Map 2: Population change 2006-2010 by main components in the Nordic countries.

Map 3: Persons with tertiary level education in the Nordic countries: Total number of persons qualified to ISCED levels 5-6 as a share of persons aged 25+ in 2010.

Map 4: Regional unemployment in the Nordic countries: percentage of economically active population (over 15 and either employed or seeking employment) who are unemployed in 2010.

Map 5: Demographical labour force replacement ratio in the Nordic countries: persons aged 15-24 years per 100 persons FWS 55-64 years.

Map 6: Dominant branch of employment in Nordic Local Labour Market Areas.

Map 7: Generation of electricity by source in NUTS3 regions in the Nordic countries in 2007.

Map 8: Population density at NUTS3 level in the Baltic Sea Region in 2011.

Map 9: Annual average population change 2006-2011 in the Baltic Sea Region.

Map 10: Unemployment rate in the Baltic Sea Region in 2006.

Map 11: Unemployment rate in the Baltic Sea Region in 2011.

Map 12: Gross domestic product per capita in purchasing power standards in the Baltic Sea Region in 2009.

Map 13: Research and development (R&D) intensity and expenditure in 2009 in the Baltic Sea Region.

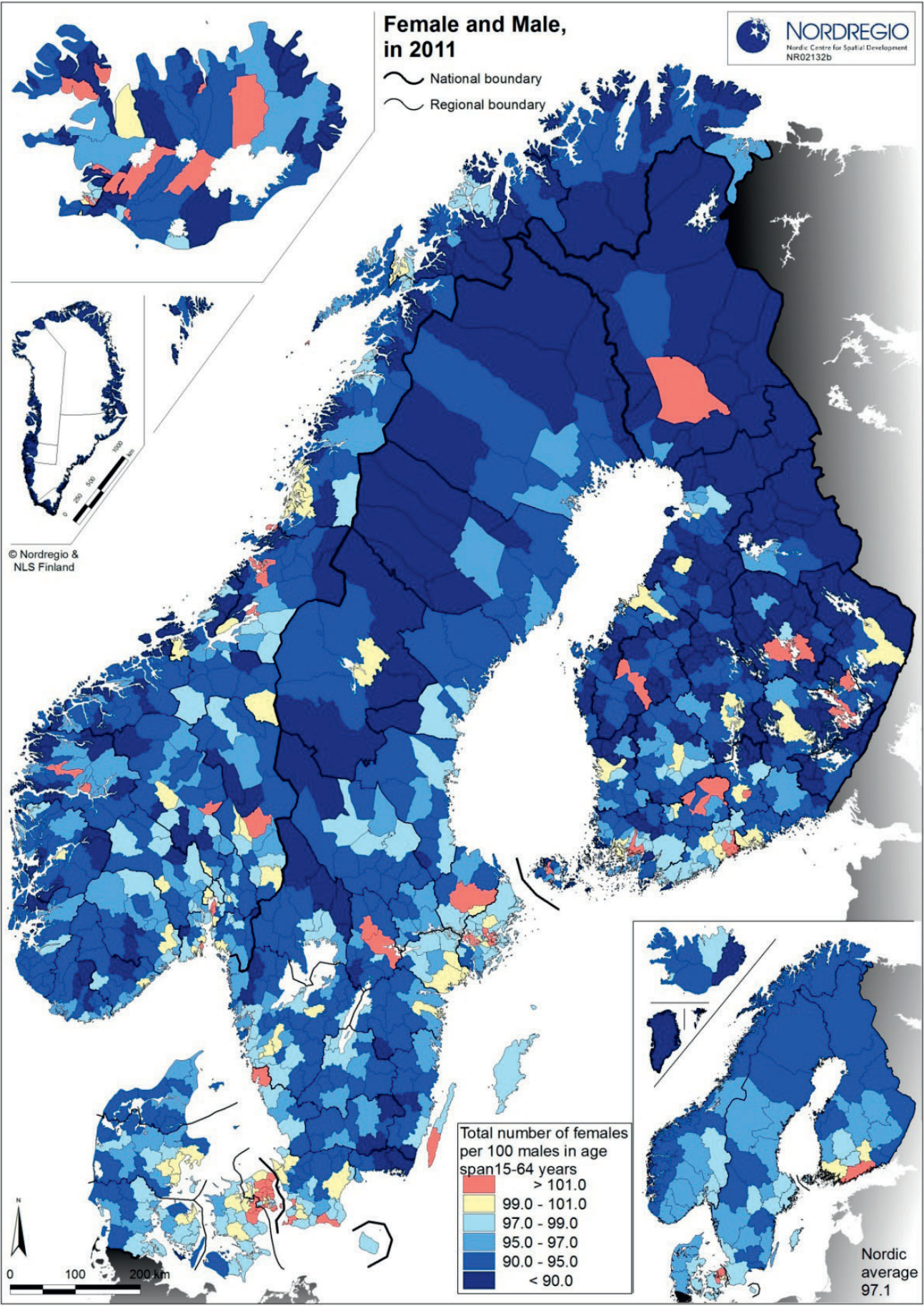
Map 14: Net-migration in the Northern Periphery Programme Area 2007-2013.

Map 15: Unemployment rate in the Northern Periphery Programme area in 2010.

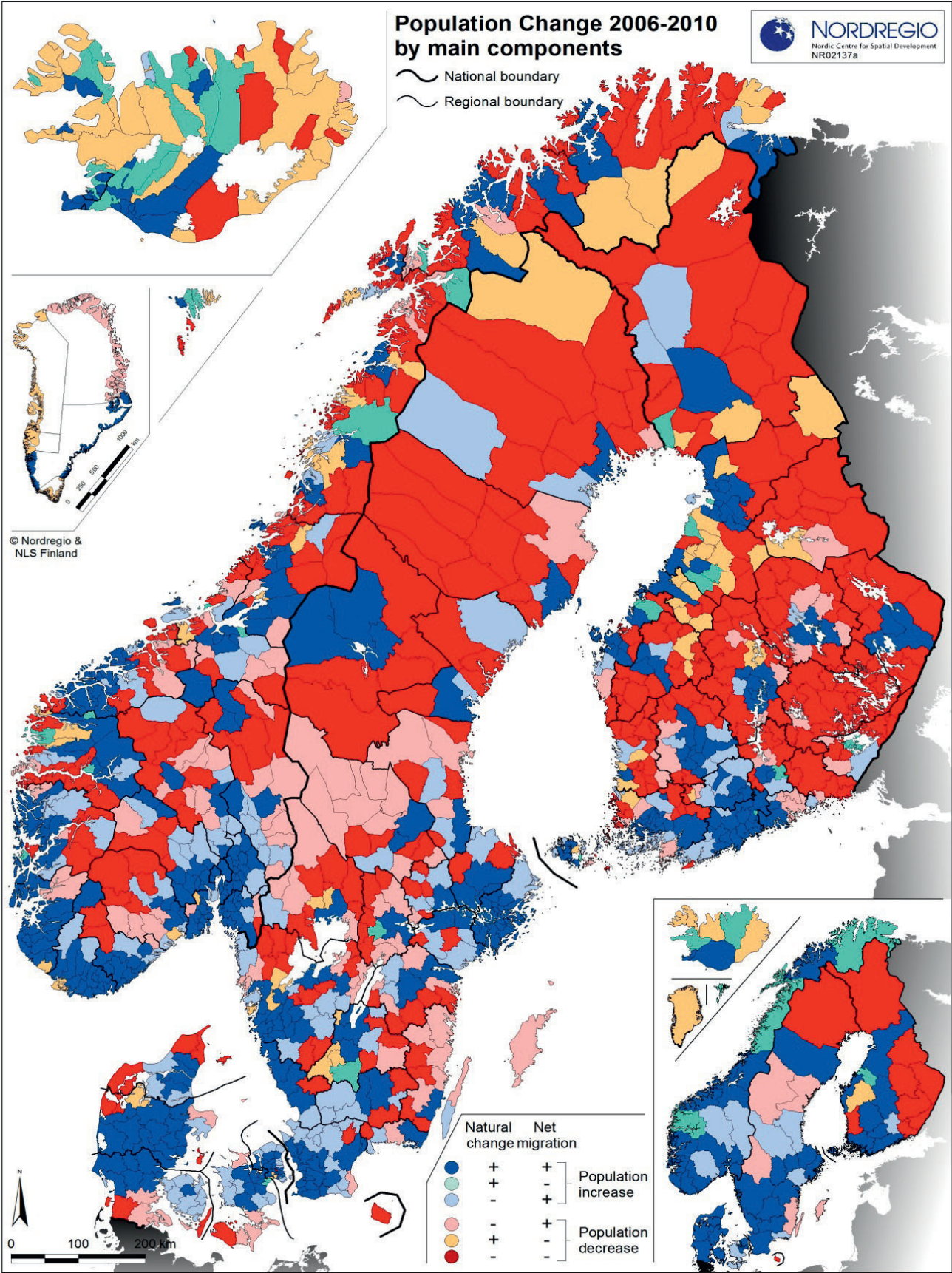
Map 16: Annual average population change 2007-2011 in Europe.

Map 17: Gross domestic product per capita in purchasing power standards in Europe in 2009.

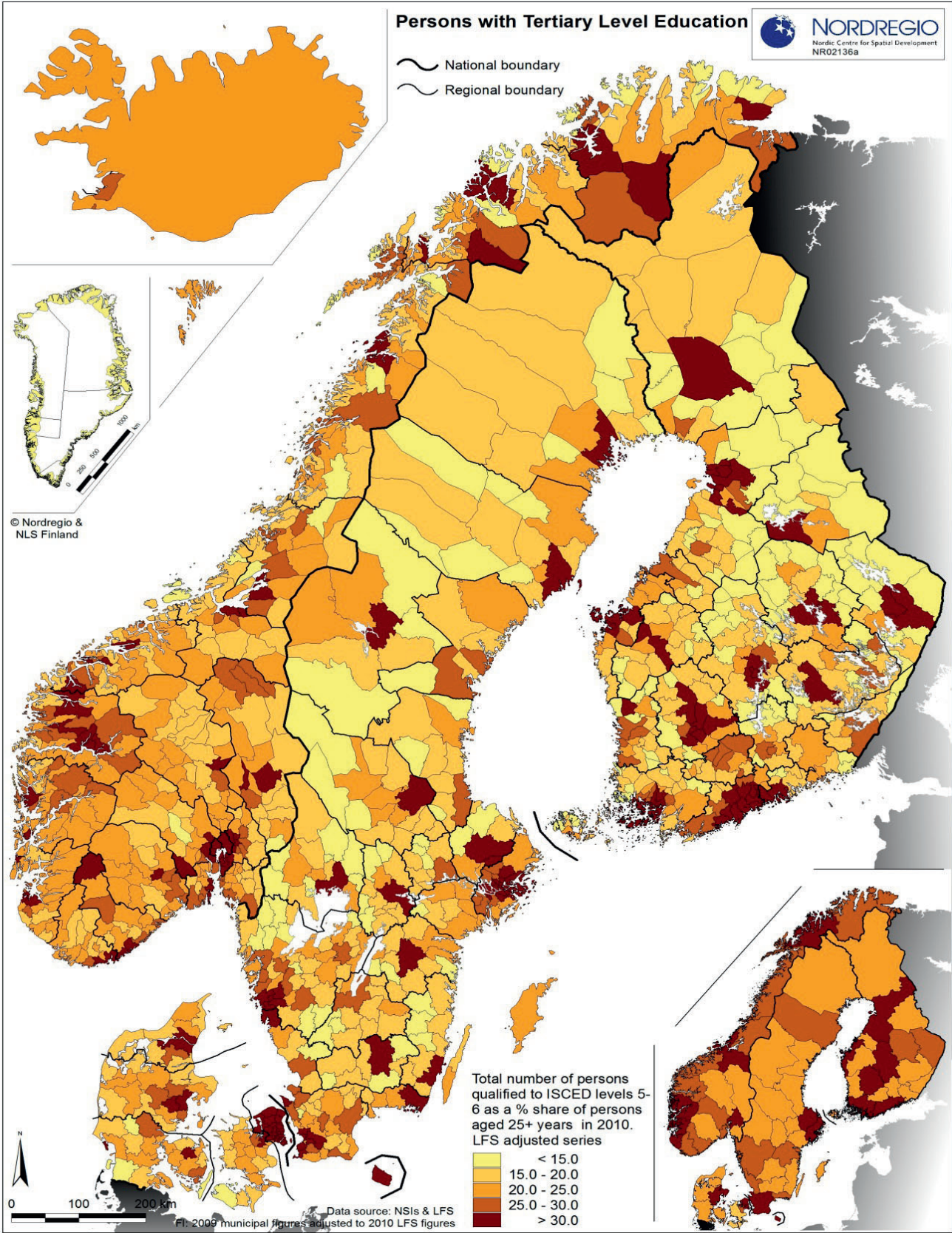
Map 1: Total number of females per 100 males in age spans 15-64 years in the Nordic countries in 2011.



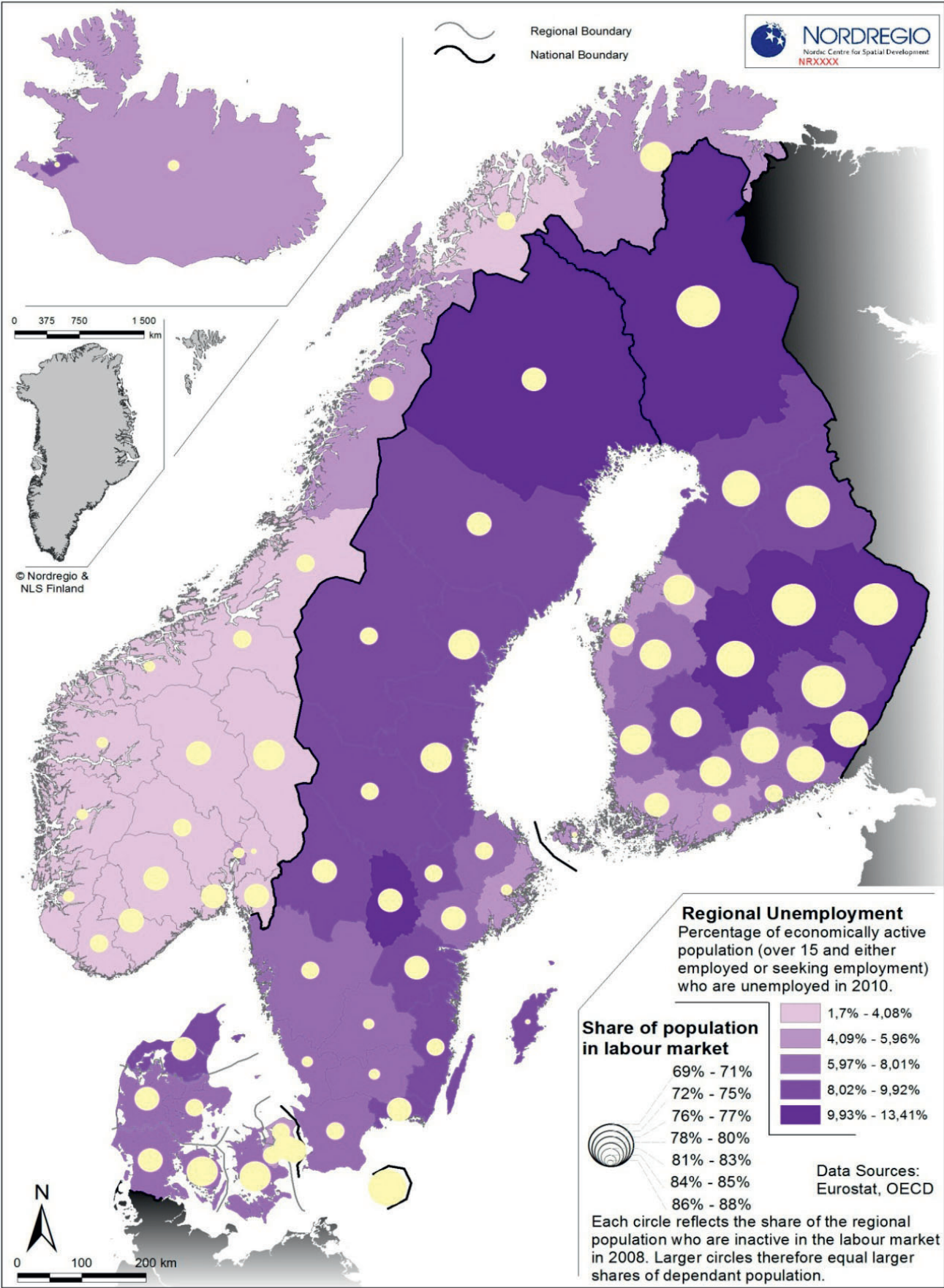
Map 2: Population change 2006-2010 by main components in the Nordic countries.



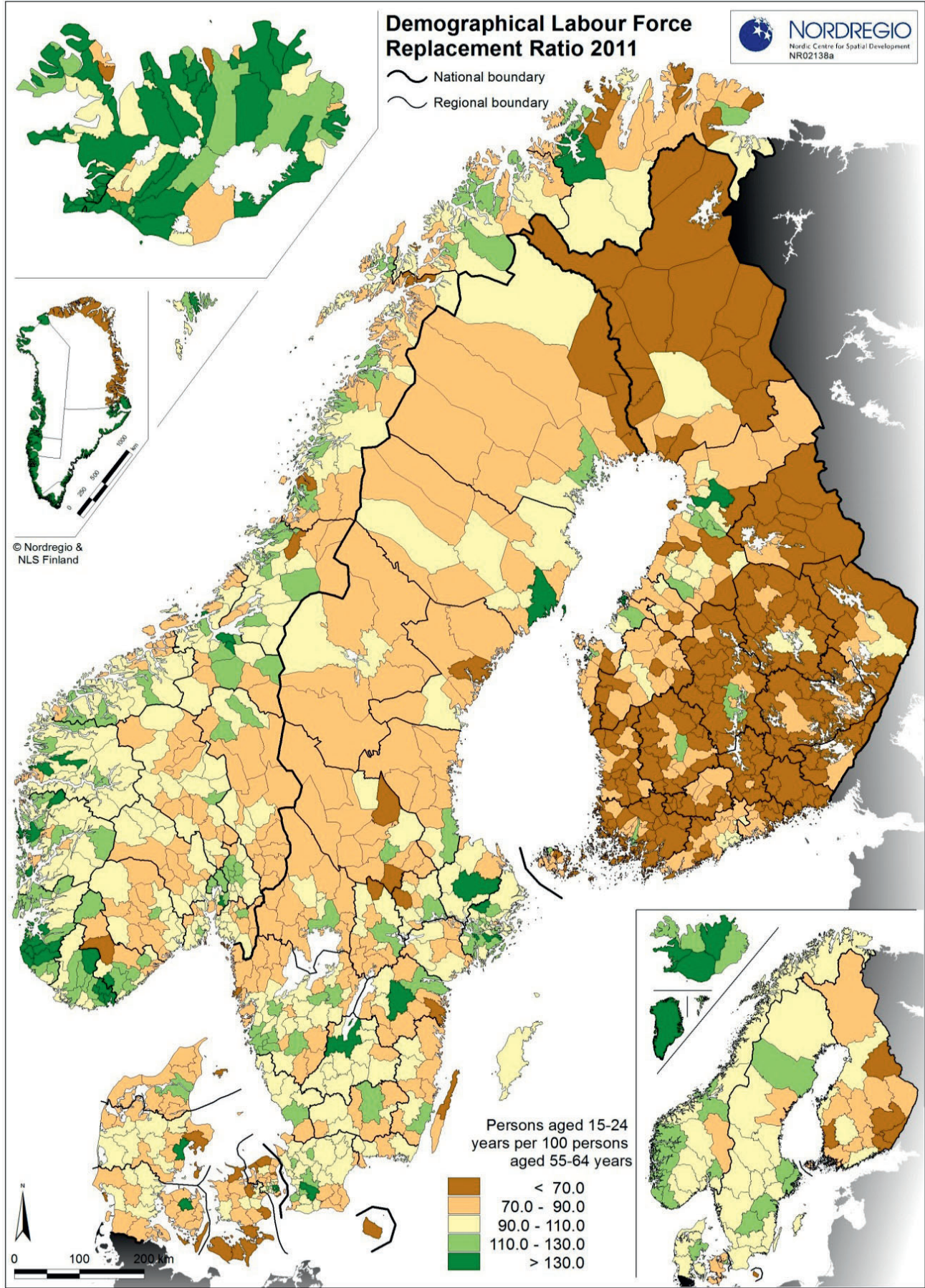
Map 3: Persons with tertiary level education in the Nordic countries: Total number of persons qualified to ISCED levels 5-6 as a share of persons aged 25+ in 2010.



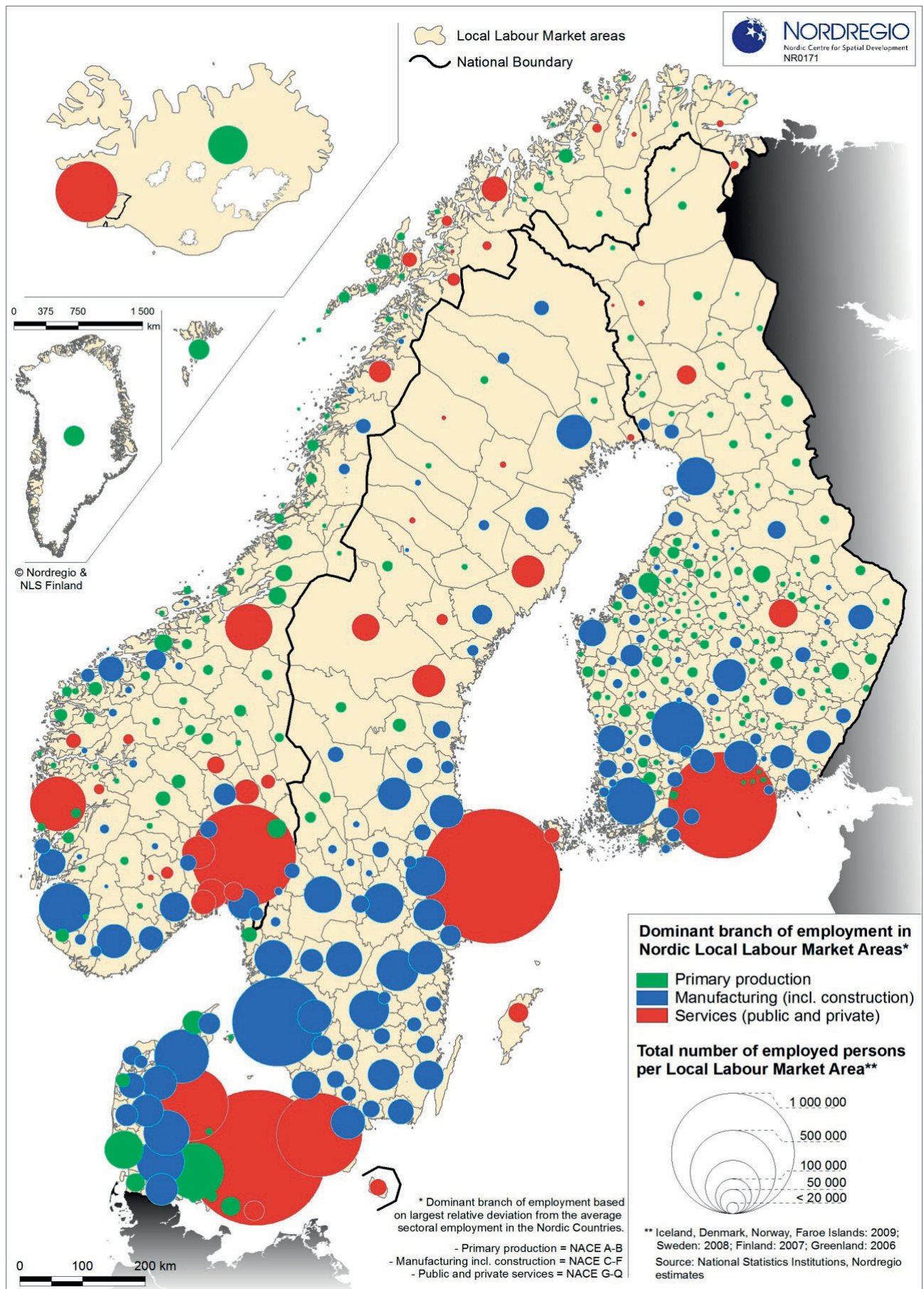
Map 4: Regional unemployment in the Nordic countries: percentage of economically active population (over 15 and either employed or seeking employment) who are unemployed in 2010.



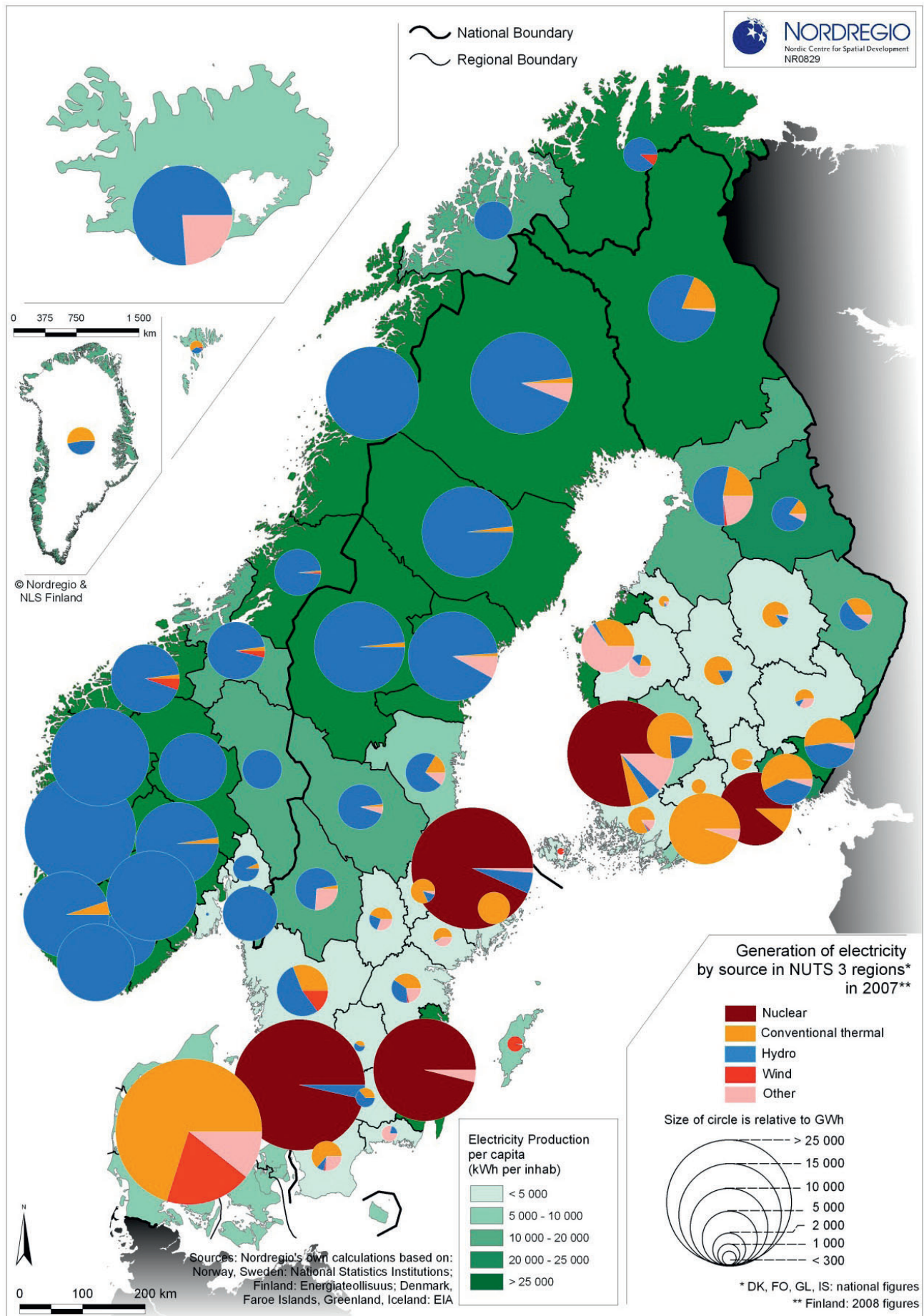
Map 5: Demographical labour force replacement ratio in the Nordic countries: persons aged 15-24 years per 100 persons FWS 55-64 years.



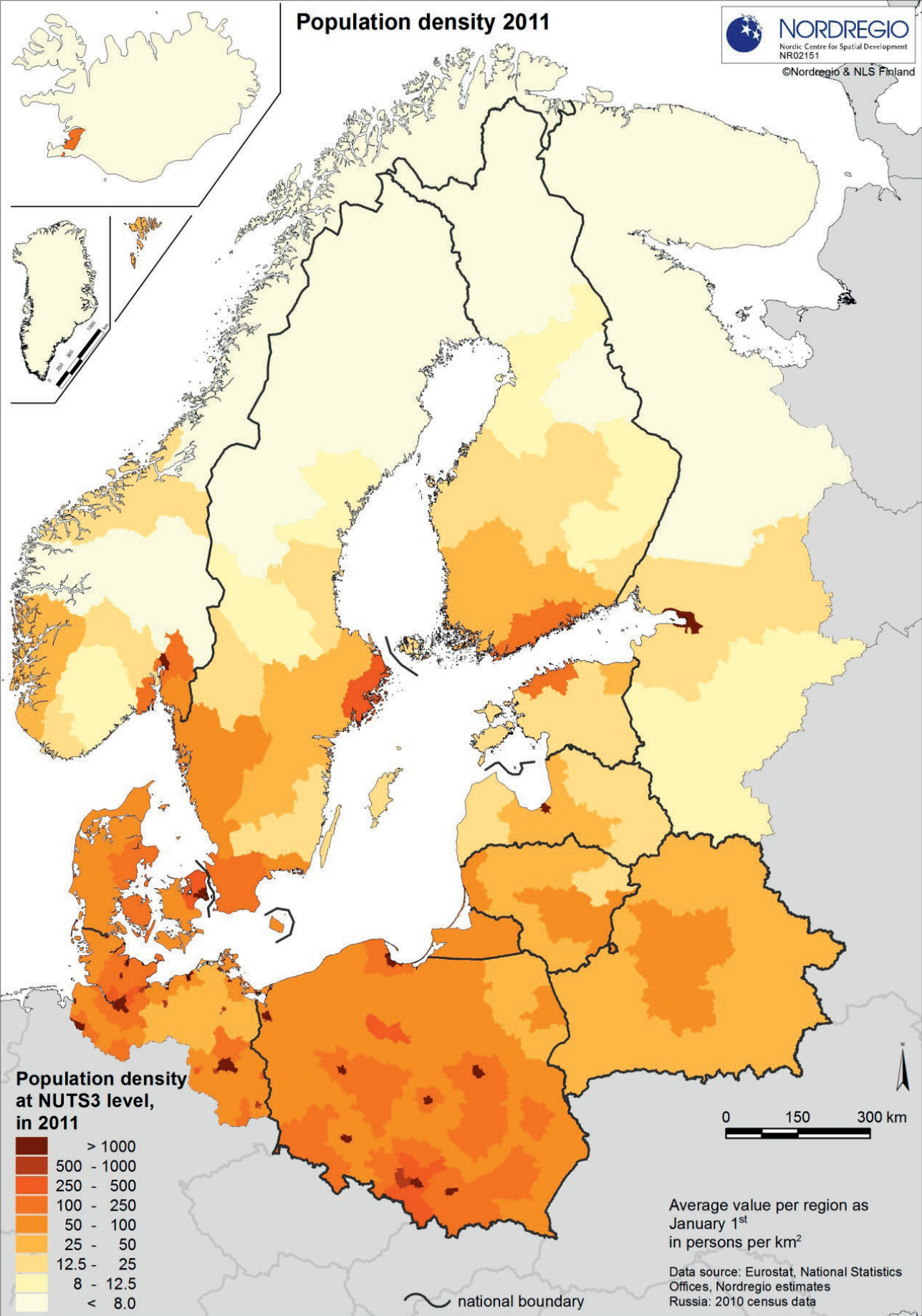
Map 6: Dominant branch of employment in Nordic Local Labour Market Areas.



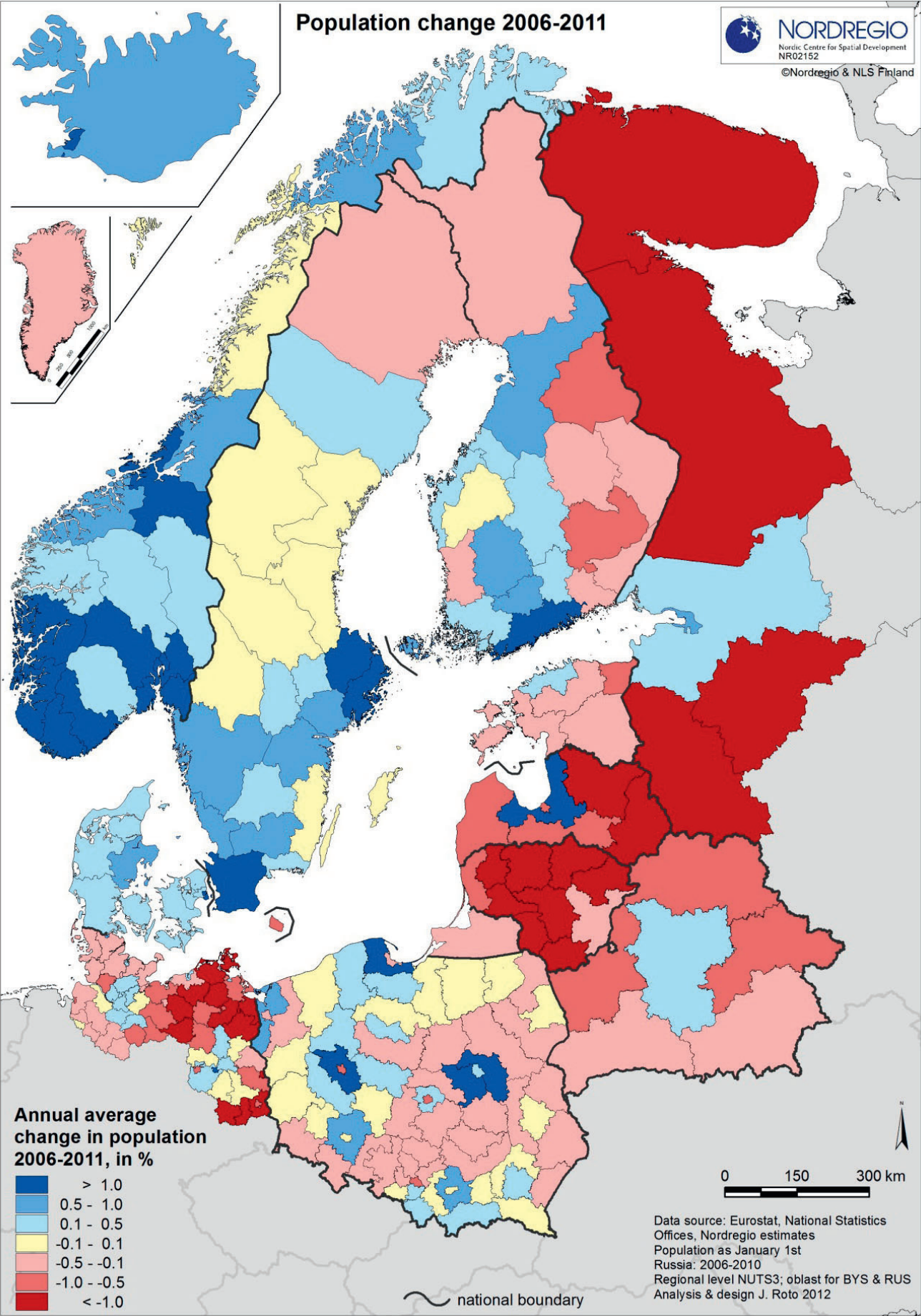
Map 7: Generation of electricity by source in NUTS3 regions in the Nordic countries in 2007.



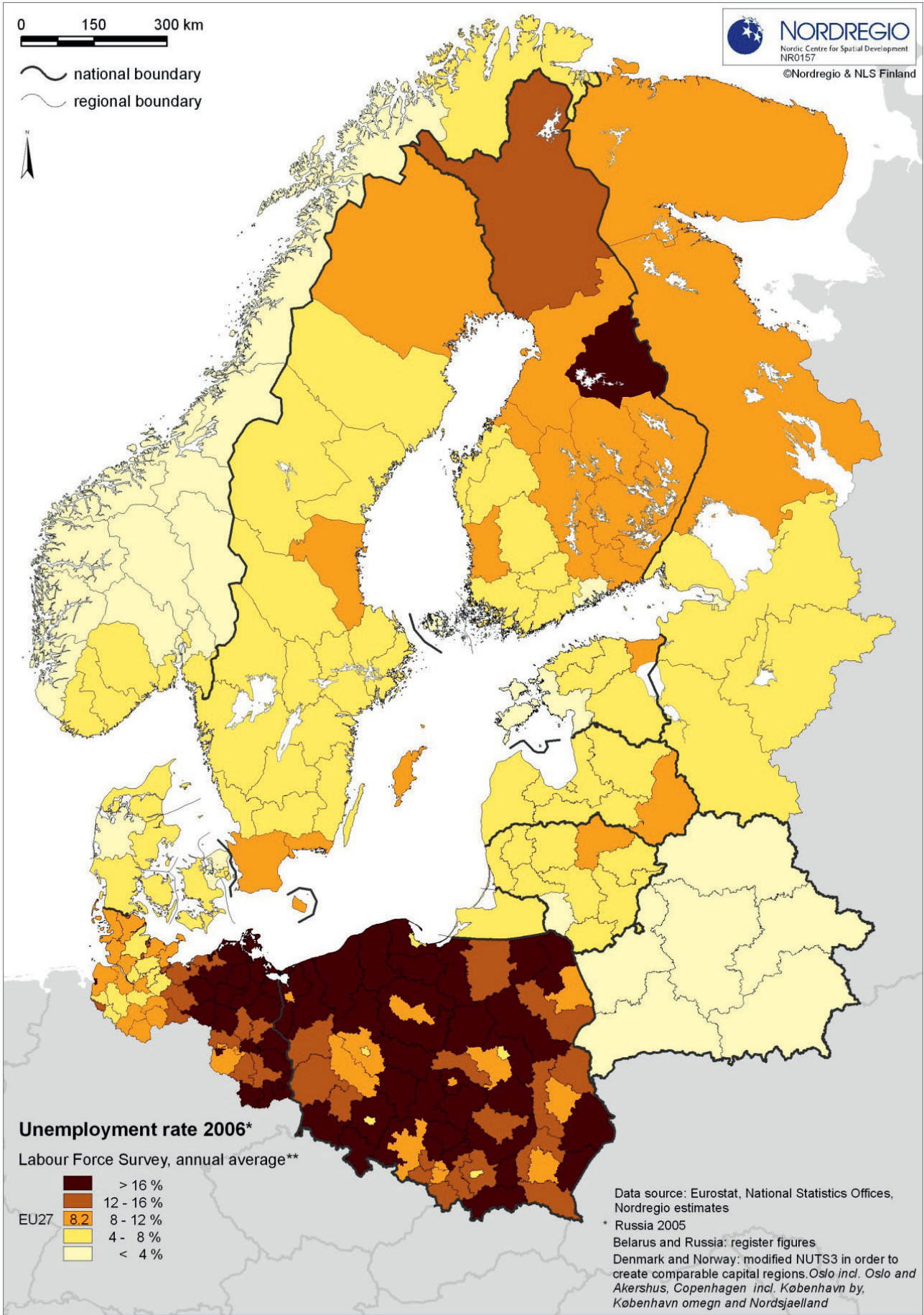
Map 8: Population density at NUTS3 level in the Baltic Sea Region in 2011.



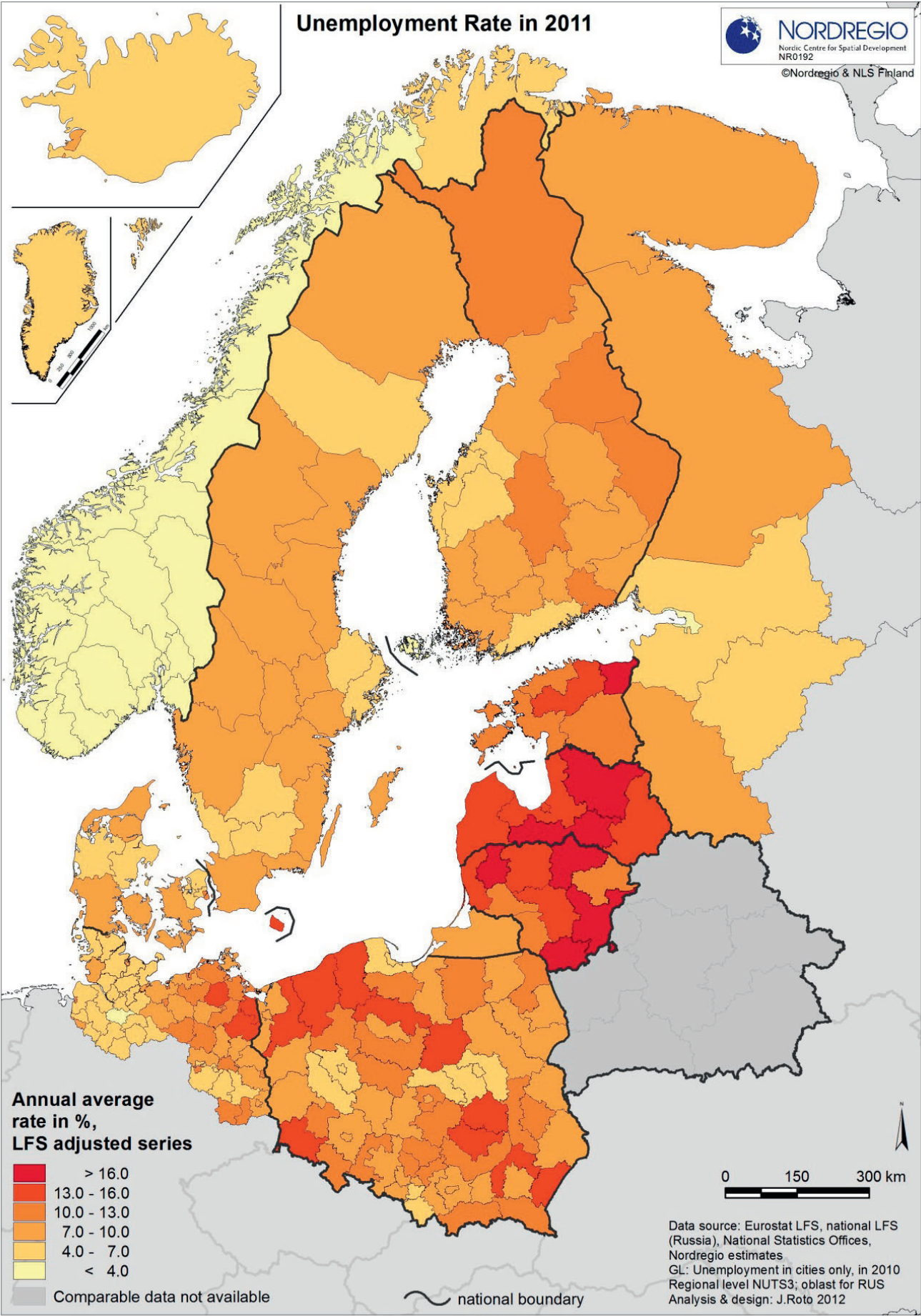
Map 9: Annual average population change 2006-2011 in the Baltic Sea Region.



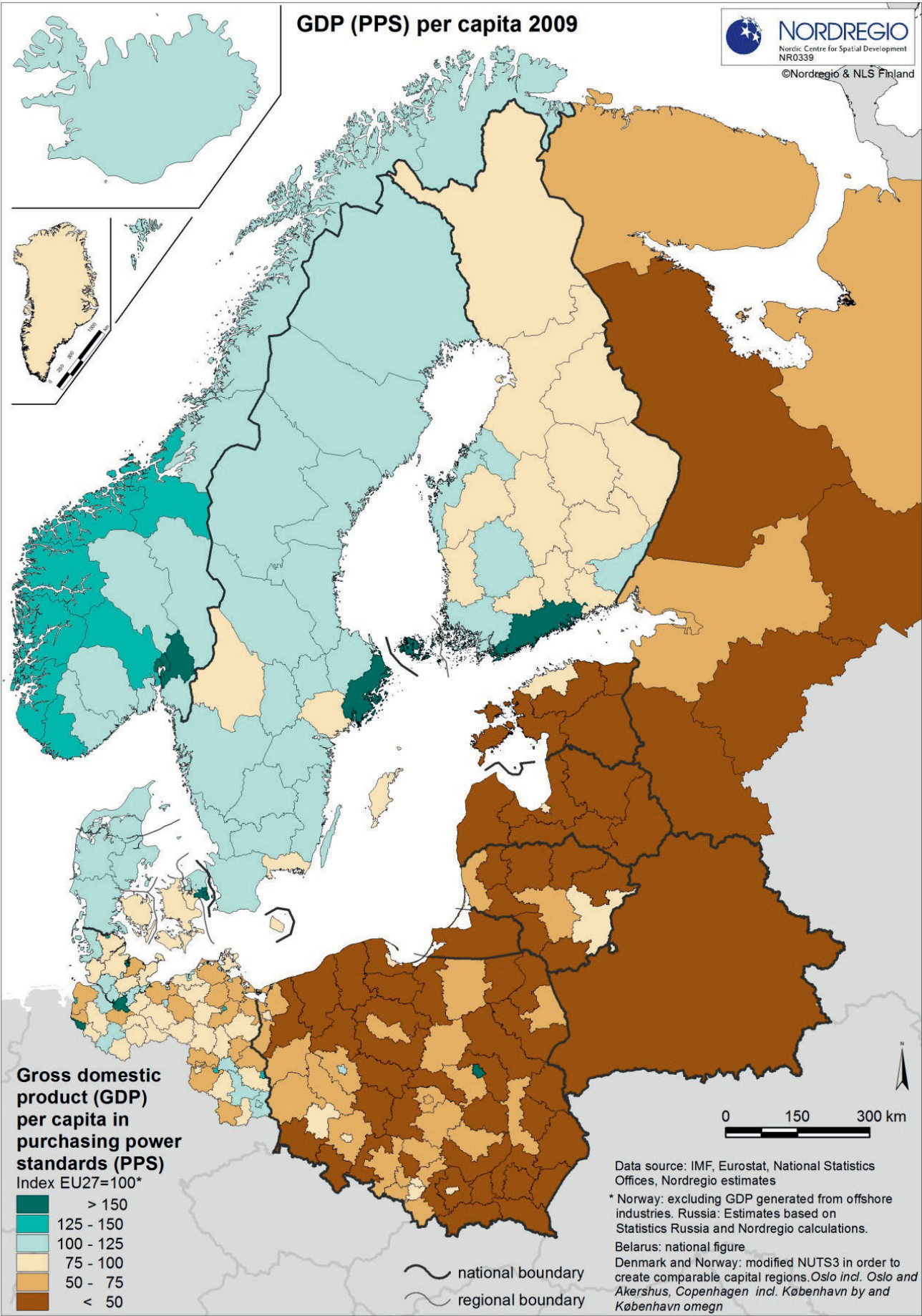
Map 10: Unemployment rate in the Baltic Sea Region in 2006.



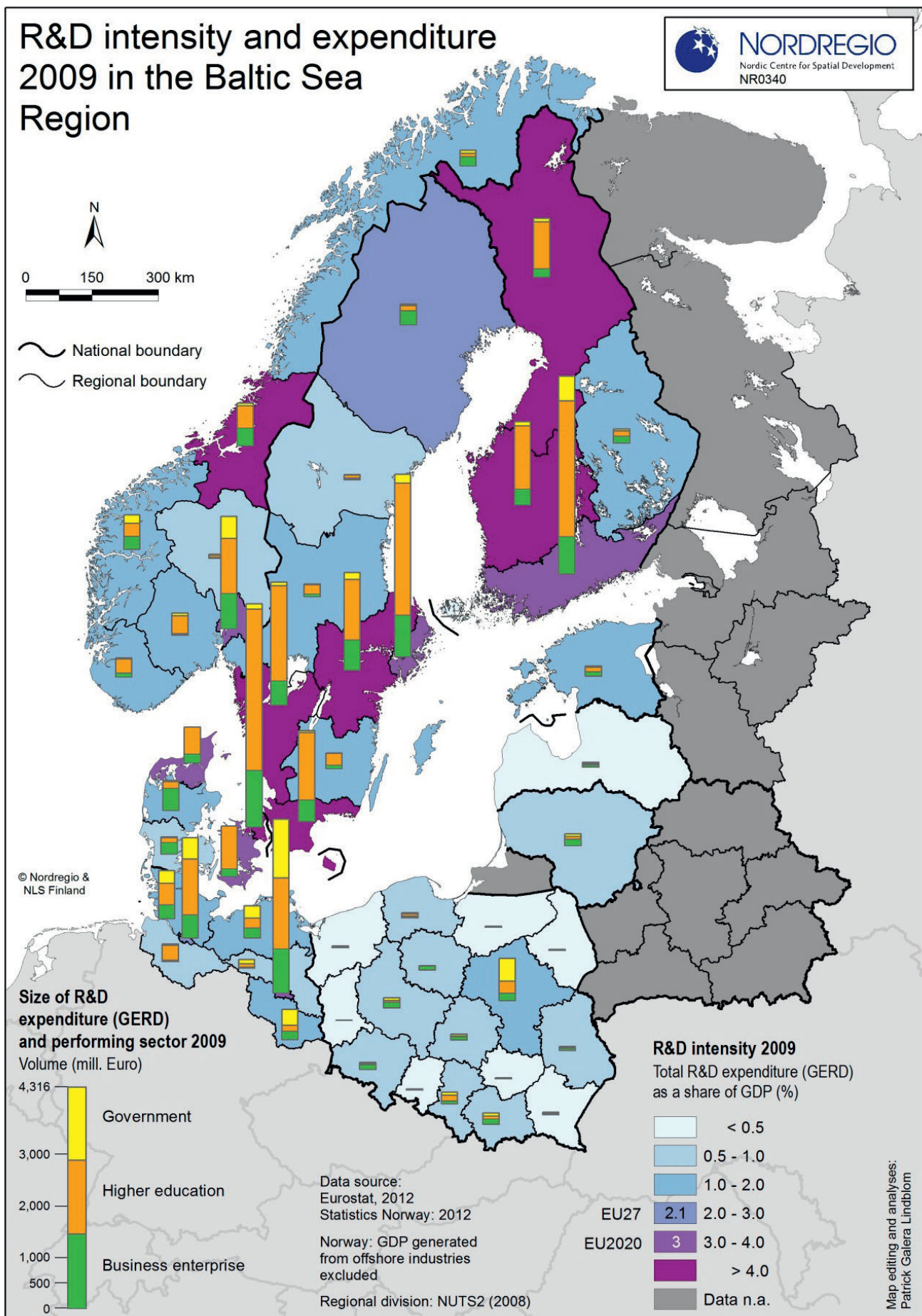
Map 11: Unemployment rate in the Baltic Sea Region in 2011.



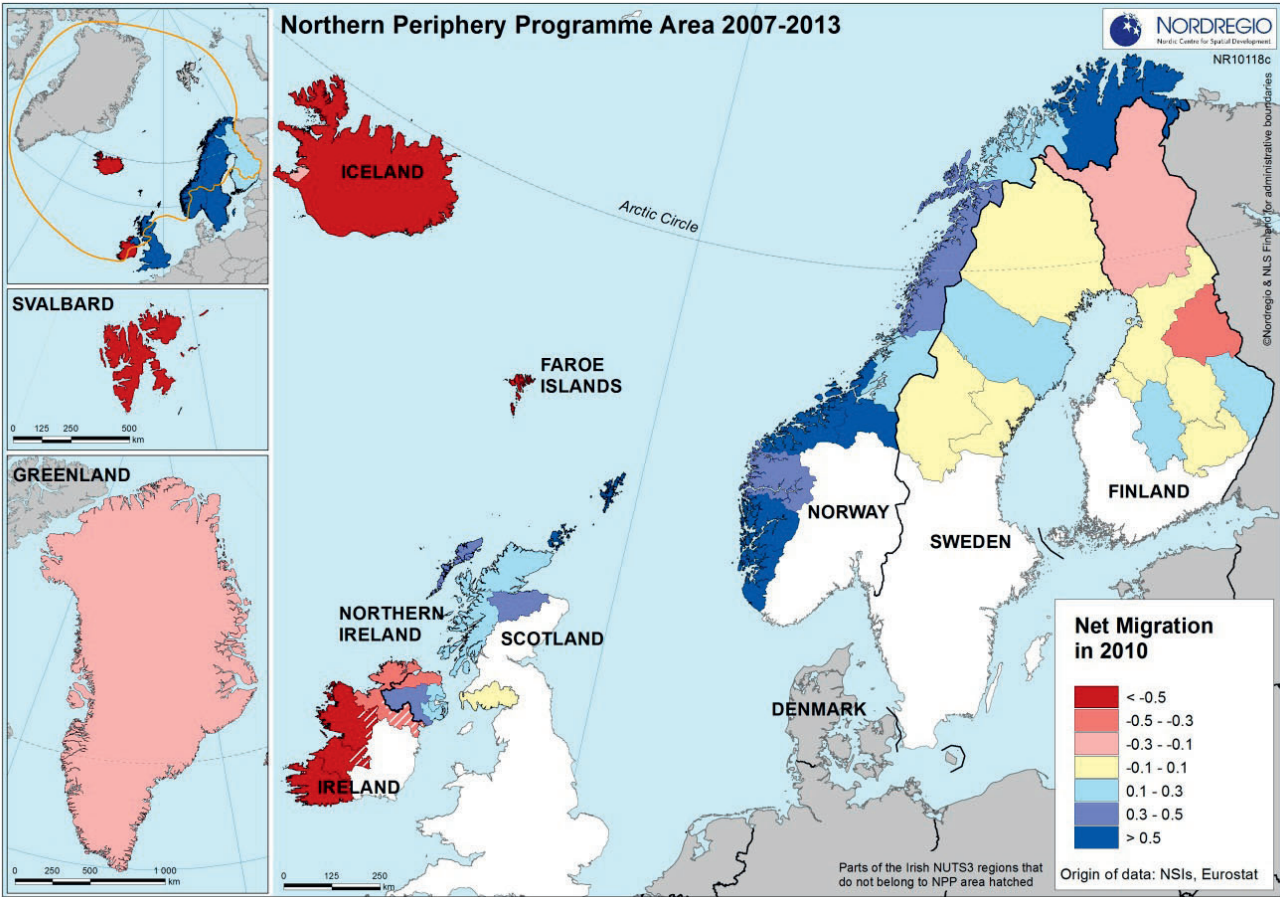
Map 12: Gross domestic product per capita in purchasing power standards in the Baltic Sea Region in 2009.



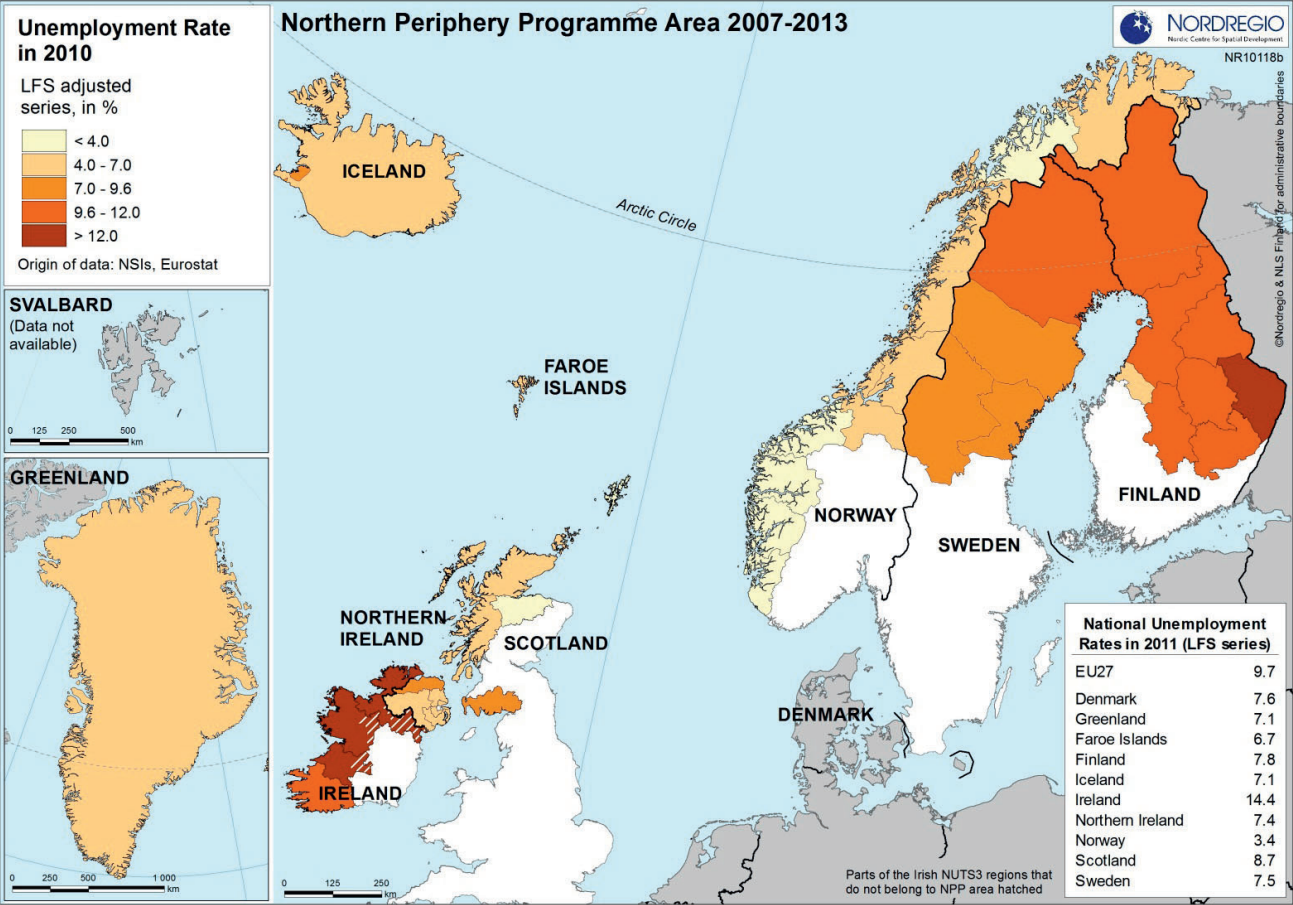
Map 13: Research and development (R&D) intensity and expenditure in 2009 in the Baltic Sea Region.



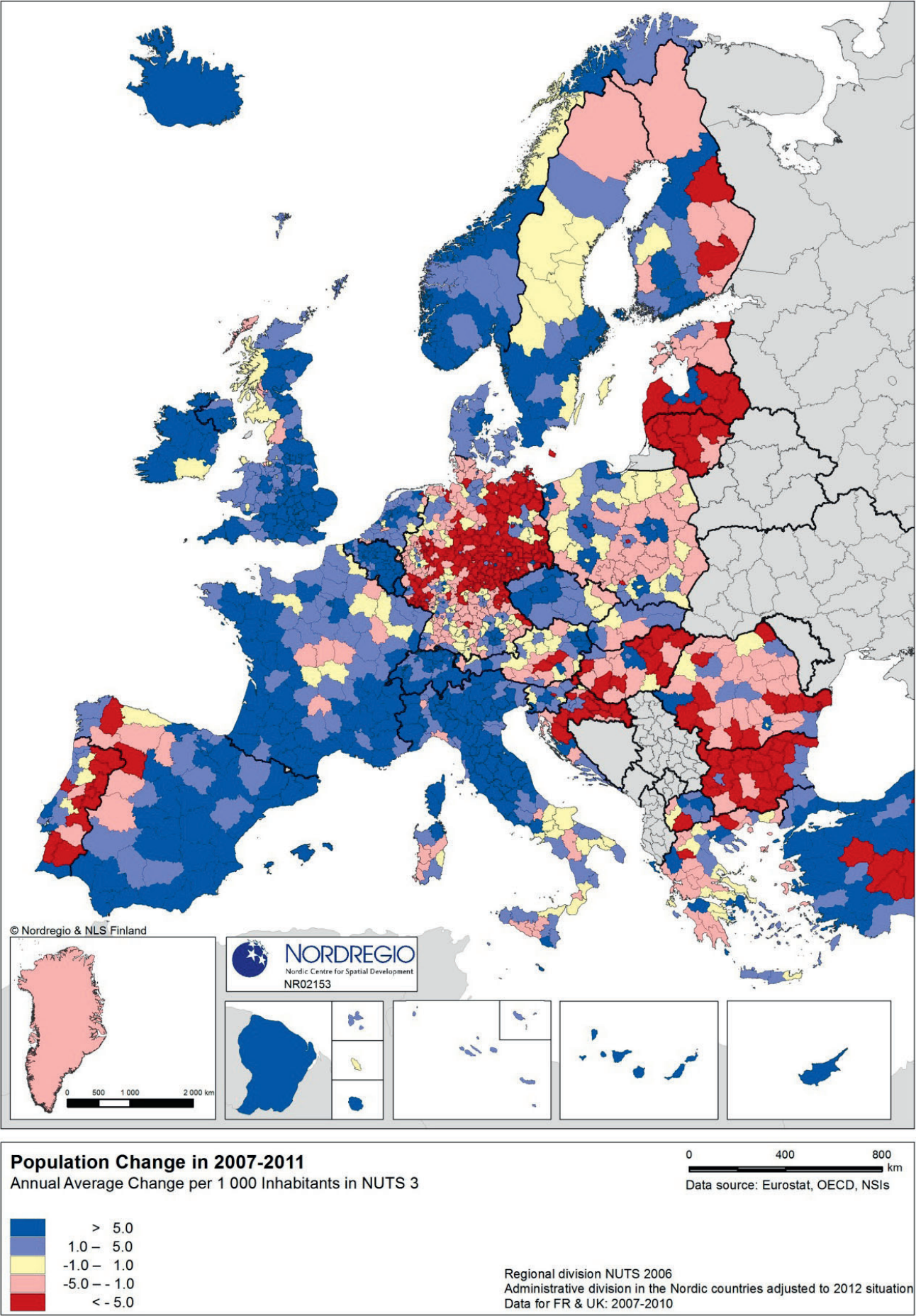
Map 14: Net-migration in the Northern Periphery Programme Area 2007-2013.



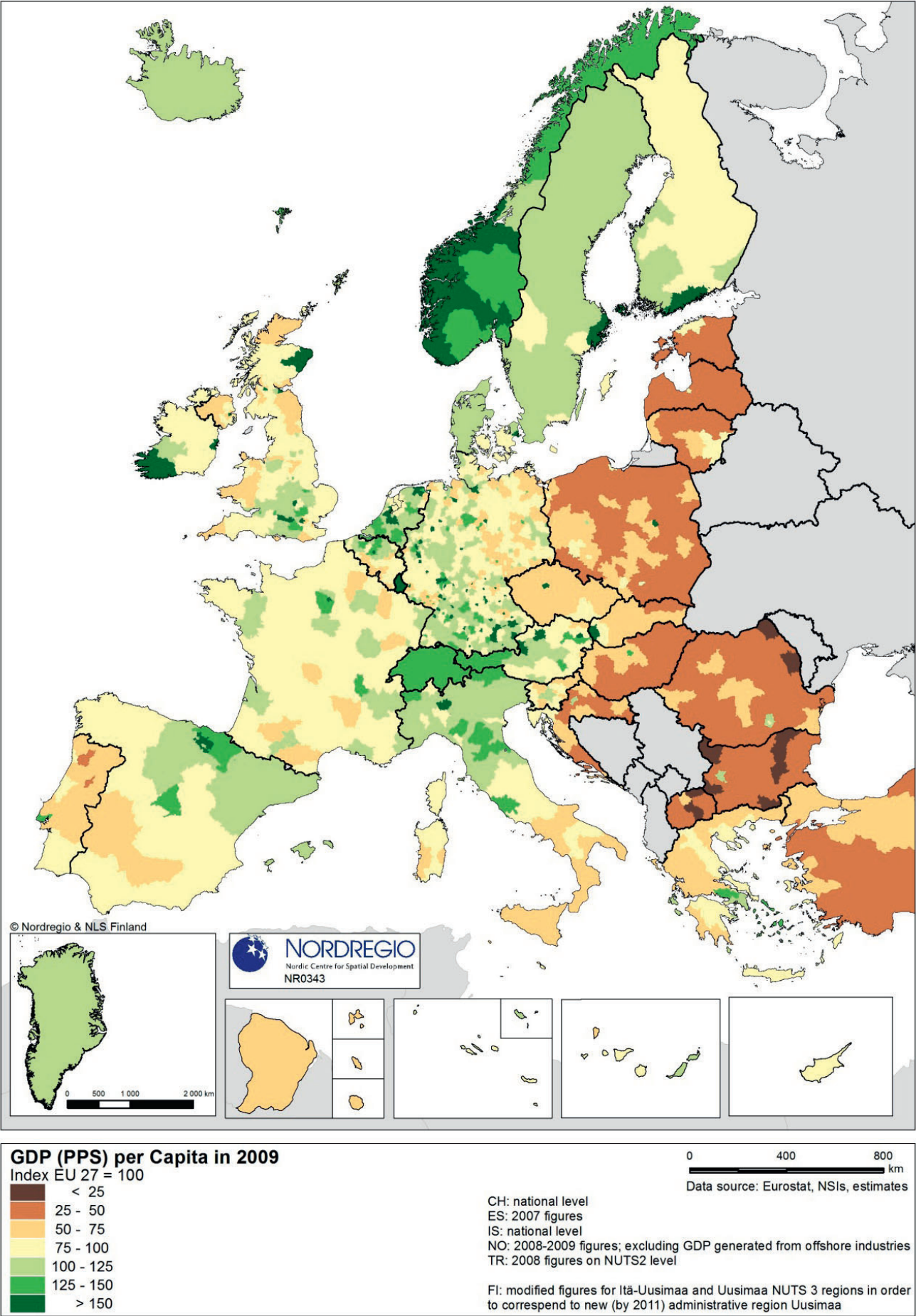
Map 15: Unemployment rate in the Northern Periphery Programme area in 2010.



Map 16: Annual average population change 2007-2011 in Europe.



Map 17: Gross domestic product per capita in purchasing power standards in Europe in 2009.





NORDREGIO
Nordic Centre for Spatial Development

Nordregio
P.O. Box 1658
SE-111 86 Stockholm, Sweden
nordregio@nordregio.se
www.nordregio.se
www.norden.org



norden

Nordic Council of Ministers

ISBN 978-91-87295-03-4
ISSN 1403-2511