

5th meeting of the Programming Committee (PC) of Kolarctic 2021-2027 Programme

Date and time: Friday, 23 April 2021, 10.10 – 14.00 (Finnish time)

Location: Teams meeting hosted by the Kolarctic CBC 2014-2020 MA

Language: English

Delivery to the Members and Deputy Members of the Committee (X= present):

(X) Tuulia Väliheikki	(-) Helinä Yli-Knuutila
(X) Jatta Jämsen	
(X) Päivi Ekdahl	(-) Mika Riipi
(X) Timo Jokelainen	(-) Jaakko Ylinampa
(X) Lisbeth Nylund	(-) Jan Edøy
(X) Marte Lauvhjell	
(X) Natalia Z. Karlsen	(X) Silje Dalehaug
(X) Eilen W B Zakariassen	(-) Stig Olsen
(X) Vsevolod Vovchenko	(-) Alla Agapova
(X) Igor Kapyrin	(X) Denis Moskalenko
(X) Ilya Ostapchuk	(-) Olga Yumatova
(X) Sergey Kungurtsev	(-) Natalia Lysak
(-) Elena Demidova	(X) Maria Kropacheva
(X) Isabella Palomba Rydén	(-) Maria M Eriksson
(-) Bror Martin Karlsson	(-) Kasper Andersson
(X) Ylva Sardén	
(X) Susanne Friberg	(-) Anna Degerman

Kolarctic CBC 2014-2020 Managing Authority:

- (x) Riikka Oittinen
- (x) Marjaana Lahdenranta
- (x) Laura Mäki
- (-) Joonas Holopainen
- (x) Maiju Jolma-Taylor
- (x) Katri Niska-Honkonen
- (x) Svetlana Peltoperä
- (x) Ekaterina Sujala

Kolarctic CBC 2014-2020 Branch Offices:

- (x) Julia Korshunova
- (x) Olga Klisheva
- (x) Linda Mosand
- (x) Jan Martin Solstad
- (x) Marita Thelin

European Commission:

- (x) Simona Pohlova

TESIM:

- (x) Iveta Puzo

Other observers:

- (x) Maria Astakhova – Ministry of Foreign Affairs of the Russian Federation
- (x) Gisle Eriksen – Troms and Finnmark County Council – Secretariat for Norwegian Regional High North Forum

Other invited experts:

- (X) Petri Haapalainen (agenda points 1-2)

MINUTES OF THE MEETING

1. Opening of the meeting, identification of those present, approval of the agenda of the meeting

The Chair Isabella Palomba Rydén opened the meeting at 10.10 Finnish time. The heads of the delegations presented the meeting participants from each country. No changes in the list of the Members and Deputy Members of the Kolarctic 2021-2027 Programming Committee (PC) were presented.

Resolution:

Participants of the meeting were notified and the quorum was established. No changes in the list of Members and Deputy Members of the Kolarctic 2021-2027 PC were noted. Meeting agenda was approved.

2. Update on the state of preparation of regulatory and legal processes, incl. financing and FA

Simona Pohlova (EC) gave information on the state of the legal and administrative procedures. EU Regulations for future Interreg programmes are expected to enter into force before the European Commission's summer break, and the multiannual strategy paper is expected to be adopted in September 2021. According to the Interreg Regulation the deadline for submission of the (external cooperation) programme document to the EC is 9 months following the adoption of the multiannual strategy document. However, if the programme is not submitted by 31 March 2022 the 2021 and 2022 part of the ERDF allocation should be re-allocated to other cooperation programme(s). The Commission has asked the MSs to communicate to the Commission the division of their respective ERDF contribution to different programmes.

The National Authorities were invited to report on the state of preparation of the regulatory and legal processes, financial allocations to Kolarctic 2021-2027 programme and of the Financing Agreement.

- For Finland the total ERDF amount is 162,72 MEUR (for the period 2014-2020 it was 161,3 MEUR). From this 10 MEUR is for the Kolarctic programme.
- Norway is continuing yearly budget decisions, and for 2021 the ERDF equivalent amount is 7,8 MNOK. With similar amounts for future years, the estimation for the programme contribution is approximately 54,6 MNOK. The national Norwegian contribution can be maximum of 50% of the project budgets; regional funding (including self-financing) covers the rest.
- The Russian Federation funding will be communicated once the complete EU financing components are defined.
- For Sweden, 7,5 MEUR is reserved for the Kolarctic programme from the national ERDF allocation

Finnish and Swedish ERDF allocations makes 17,5 M€ altogether. It's expected that the amount of NDICI financing will be the same, which would mean that the total EU financing for the programme would be 35 M€.

The Finnish National Authority stated that Finland is ready to continue with the approach from the current programme period, where EU funding and national co-financing split has been 50%/50%. The Swedish National Authority told that Sweden has not discussed the approach. Simona Pohlova (EC) reported that NDICI contribution will be confirmed at later stage once all the EU countries have provided the final ERDF amounts, but it will be at least equivalent with the ERDF allocation. Once agreed, the contribution levels will be communicated to the Russian Federation for the basis of their financial allocation to the programme.

Resolution:

The information was noted by the PC.

3. Presentation of the advanced draft of Territorial Analysis

The Task Force developed the Territorial Analysis (TA) according to the comments given by the Programming Committee in its Written Procedure 4. – 18.3.2021. The MA presented the advanced draft (**Annex 1**).

The PC members acknowledged the benefits of further elaborated SWOT table, and stressed the importance of analysis on joint and mutual challenges. It was noted that some comments from the previous feedback round had not been incorporated to the analysis, and they should be addressed to.

Simona Pohlova stated that the TA is a valuable document and the EC recommends that the TA is submitted to the EC together with the programme document, as it gives the justification to the intervention logic.

Igor Kapyrin sought after agreement to use the TA draft in the preparation of the Interreg NPA programme when it comes to the Russian programme area.

Draft resolution:

The PC commented on the draft TA and approved it for use and further development as a basis and support for the programming process.

The PC agreed that the draft TA information can be shared to the Interreg NPA preparatory work.

4. Decision on the Specific Objectives (SO) to be chosen for the selected Policy Objectives, on the basis of the proposal made by the Task Force

In the extra meeting held in March 16th, the PC decided to select for the programme the Policy Objectives 1 and 2, and from the Policy Objective 4 the SO5. ISO1 was also selected. The PC gave the Task Force a mandate to further analyse the chosen POs and to make a proposal on the SOs for the chosen POs. The MA presented the Task Force's proposal on the SOs (**Annex 1**), which was as follows

Under PO 1 Smarter Europe:

SO 1. Enhancing research and innovation capacities and the uptake of advanced technologies

SO 2. Reaping the benefits of digitisation for citizens, companies and governments

Under PO 2 Greener Europe

SO 1. Promoting energy efficiency and reducing greenhouse gas emissions;

SO 4. Promoting climate change adaptation and disaster risk prevention, resilience, taking into account eco-system based approaches;

SO 7. Enhancing protection and preservation of nature, biodiversity and green infrastructure, including in urban areas, and reducing all forms of pollution;

Under PO 4 More Social Europe

SO 5. Enhancing the role of culture and sustainable tourism in economic development, social inclusion and social innovation

Under ISO 1 Better Governance

SO 3. People-to-people actions for increased trust

SO 6. Other actions to support better cooperation governance

The PC discussed the proposals one PO at the time.

Under PO 1 Smarter Europe SO 1, on *enhancing research and innovation capacities*, was welcomed. It was emphasised that the focus should be in enhancing research capacities, practical application of all research and innovation, and linkage to regional development and commercialisation with university collaboration should be kept in mind. Enhancement of RI capacities should have impact to the region and to the end users. Simona Pohlova reminded that areas which could be supported with this SO are private research in collaboration in public, cross-sectoral collaboration, validation and commercialisation of research results and public-private collaboration.

Under PO 1 Smarter Europe SO 2, on *reaping the benefits of digitisation*, was widely accepted. Whether the digitalisation should be seen as a crosscutting issue throughout the SOs was contemplated on. Development of digital services and products were seen crucial due to the vast distances in the programme area. Advancing the possibilities of eSolutions in many areas (eCommerce, eHealth, eEducation etc.) were raised in the conversation. Support to SME in digital actions, for example development of digital innovation hubs and cyber security issues, were identified also as areas under the SO 3. Expectation from EC is that with the help of this SO ICT investments in SMEs will increase and eInclusion and eSkills will be promoted. Question on whether this thematic area can foster cross-border collaboration at project level was discussed.

Iveta Puzo reminded that if digitalisation is seen as a tool that can be used in other areas (e.g. governance, environment) supported by the programme with any other tools, it could be seen as horizontal issue. If digitisation/digitalisation is an objective in itself development of digital services, ICT solutions, e-commerce, digital innovation hubs, etc.) then choosing SO 2 can be justified.

Digitalisation both, as a crosscutting theme and specific SO, was welcomed as an idea. As a crosscutting theme digital solutions can be seen as means to support the main

theme in each SO. For example, under SO 4.5 creating digital tourism services could be thought as a part of actions in a larger project.

Under PO 2 Greener Europe SO 1, *promoting energy efficiency* was not agreed upon widely. There was no clarity on the cross-border benefit on this topic. Many PC members from Finland, Sweden and Norway were hesitant to pursue this SO. Areas identified as possible actions under SO 1 were e.g. sustainable development of rural areas in general, promotion of environmentally friendly technologies, support transition of heating facilities to greener heat sources, increasing the awareness of low carbon possibilities. It was acknowledged that many of these examples could be possible actions on SO 1.1 which focuses on innovations. Agreement was reached to have energy efficiency as an area emphasised in the SO 1.1 and visible in the type of activities supported in it.

Under PO 2 Greener Europe SO 4, *promoting climate change adaptation*, was welcomed. Due to changing climate conditions in Kola-Arctic region, this SO was considered relevant. It was argued that there is a need to reduce greenhouse gas emissions; however, cross-border cooperation topics are limited in that area.

Under PO 2 Greener Europe SO 7, *enhancing nature protection and preservation* was jointly accepted. Especially focus on landscape, nature and water management should be stressed under this SO.

Under PO 4 More social Europe SO 5 on *enhancing the role of culture and sustainable tourism* no discussion was held as the PC had already agreed to choose this specific objective.

Denis Moskalenko asked to pay attention to wording of the working titles of priorities, and specify the geographical notion of *Arctic* to *Kolarctic region*.

Under ISO 1 Better Governance SO 3 on *people-to-people actions for increased trust* was unanimously welcomed. It was acknowledged that the grassroots level cooperation and human dimension is called upon in the programming from several different stakeholders, thus this SO is highly relevant. Also it was noted, that in the cross-border environmental cooperation areas stem often from grassroots level.

Under ISO 1 Better Governance SO 6 on *other actions* no joint agreement was found. Diverse opinions were raised during the discussion. For example, it was highlighted that this SO should enable at least public authorities' cross-border capacity building efforts, focus on development of cooperation governance, especially in Barents cooperation. Also on suggestion was to only choose this SO with a specific focus area for people-to-people actions. Simona Pohlova recommended to keep the SO 6 under ISO 1 clear and defined, and stated that keeping SO 3 and SO 6 separate would be more efficient. There was a clear demand to have more precise terms and boundaries around SO 6, and also worry about spreading the limited funding (max 20%) too thin across two specific objectives. It was also seen that the proposed justification only included elements from ISO 1.1 *building institutional capacity of public authorities*.

It was agreed that ISO 1.6 should be further defined by the MA and Task Force, with PC members possibility to join the discussion. The PC members agreed to comment and give feedback on possible refinement of ISO 1.6 by Wednesday 28 April. This feedback should direct the extended Task Force deliberation on the issue.

Resolution:

The PC agreed on the following SOs for the chosen POs and ISO:

Under PO 1 Smarter Europe:

SO 1. Enhancing research and innovation capacities and the uptake of advanced technologies

SO 2. Reaping the benefits of digitisation for citizens, companies and governments

Under PO 2 Greener Europe

SO 4. Promoting climate change adaptation and disaster risk prevention, resilience, taking into account eco-system based approaches;

SO 7. Enhancing protection and preservation of nature, biodiversity and green infrastructure, including in urban areas, and reducing all forms of pollution;

Under PO 4 More Social Europe

SO 5. Enhancing the role of culture and sustainable tourism in economic development, social inclusion and social innovation

Under ISO 1 Better Governance

SO 3. People-to-people actions for increased trust

The PC decided to seek further clarity on the ISO 1 SO 6 and postpone the decision on that to its next meeting.

The PC gave the mandate to the Task Force to develop further the programme content, priorities, scope and indicators of the agreed specific objectives.

5. Decision on including into the programme the possibility to finance Large Infrastructure projects (LIPs)

In its 4th meeting held in February 17th, the PC had a preliminary discussion on including LIPs to the programme, and decided to make the preliminary decision not to include/ to include LIPs in the programme in the next ordinary PC meeting (i.e. 23.4.2021). Postponing the decision to this meeting gave to the PC Members time to assess how investment components in regular projects could have mutual benefits, and how already identified areas of infrastructure development could be feasible in regular projects.

MA gave a short introduction on the main areas of interest on this matter and reminded that infrastructure support components are possible up to 2,5 MEUR in standard projects in the coming programme period.

In the discussion, the PC members noted that it is difficult to find LIPs benefitting all four countries and any possible infrastructure development needs can be covered by investment components in the standard projects.

Resolution:

The PC made the decision on not to include into the programme the possibility to finance LIPs, and welcomed the possibility to have investment components in the regular projects.

6. Overview on the Arctic Cooperation

Riikka Oittinen (MA) gave an overview on the state of the Arctic Cooperation. The Arctic programmes are arriving in their programming processes to the stage where coordination on contents regarding chosen priorities can commence. The programmes are meeting every two weeks to discuss general coordination matters of the ongoing programme period and issues related to the preparatory phase of the 2021-2027 programming.

The Russian NA informed the PC on the Russian Federation's interest to take part in the upcoming NPA programme with regions included in the Barents cooperation.

Resolution:

The information was noted by the PC.

7. Coordination of the preparation with other programmes

Riikka Oittinen (MA) reported on the coordination measures that had been taken between different programmes and with support of TESIM and Interact. The MAs of the three Finnish-Russian Programmes change regularly information on the programming process. TESIM is organising an event in the end of April regarding the management structures in the new Interreg programmes. In the Northern Cluster network discussions have included updates on Simplified Cost Options. In general, it seems that in the programmes there is an interest to a significant increase of the use of the SCOs in the comparison with 2014-2020 programmes. This topic will be also discussed in the upcoming PC meetings.

Resolution:

The information was noted by the PC.

8. Any other business

The updated timeline of the programming of Kolarctic 2021-2027 was presented to the PC (**Annex 2**).

9. Next meeting

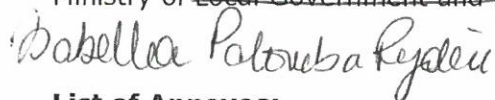
The next meeting will be held 26 May.

10. Closing of the meeting

The chair closed the meeting at 14.00 (Finnish time)

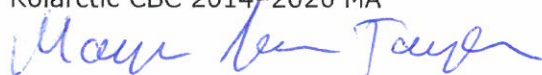
Isabella Palomba Rydén

Chair of the meeting *ENTERPRISE & INNOVATION*
Ministry of Local Government and Modernisation



Maiju Jolma-Taylor

Secretary of the meeting
Kolarctic CBC 2014-2020 MA



List of Annexes:

Annex 1 Presentation on the updates in the draft Territorial Analysis and Task Force's
proposal for the Specific Objectives

Annex 2 Updated programming timeline Kolarctic 2021-2027