

# OPERATIONAL PROGRAMME

## NORTH SEA REGION

### FINAL VERSION

17<sup>th</sup> August 2007

## CHAPTERS 3 & 4 STRATEGY & PRIORITIES

### TABLE OF CONTENTS

3. THE JOINT TRANSNATIONAL STRATEGY .....	2
3.1 BACKGROUND.....	2
3.2 PROGRAMME AIM.....	3
3.3 THE STRATEGIC FOCUS OF THE PROGRAMME: PROGRAMME PRIORITIES .....	3
3.4 PRINCIPLES FOR ASSISTANCE .....	8
3.5 COHERENCE AND COMPLEMENTARITY WITH COMMUNITY AND NATIONAL POLICIES AND PROGRAMMES.....	11
3.6 THE LOGIC OF THE PROGRAMME .....	19
3.7 SUMMARY DESCRIPTION OF THE EX ANTE EVALUATION RESULTS .....	20
4. THE PROGRAMME PRIORITIES .....	24
4.1 PRIORITY 1 BUILDING ON OUR CAPACITY FOR INNOVATION.....	24
4.2 PRIORITY 2 PROMOTING THE SUSTAINABLE MANAGEMENT OF OUR ENVIRONMENT .....	32
4.3 PRIORITY 3 IMPROVING THE ACCESSIBILITY OF PLACES IN THE NSR.....	40

## **3. THE JOINT TRANSNATIONAL STRATEGY**

### **3.1 BACKGROUND**

The joint transnational strategy has been created in response to the analysis of the opportunities and the challenges facing the North Sea Region. It sets out the overall aim and objectives for this Programme and the means by which these will be achieved.

Transnational cooperation in the North Sea Region is essential where obstacles posed by national borders, natural or institutional/organisational barriers hinder meeting our common goals. It is also crucial where the complexity of the problem favours solutions that involve different levels of government (i.e. local, regional, national), different levels of decision-making, management, implementation and financing, and different sectors (public, private, voluntary, etc.). Actions that are proportional to the problem, and best addressed at the transnational level, will be favoured.

The Strategy contributes strongly to the aims of the revised Lisbon and Gothenburg strategies and the shared objectives of the national partners. It draws heavily on the Community Strategic Guidelines on Cohesion and the National Strategic Reference Frameworks of the Member States involved in the programme to ensure a strong strategic consistency. It has also been informed by the results of the ex-ante evaluation of the Programme. The Region's assets provide a strong basis for a contribution to the objectives set out in the Lisbon and Gothenburg strategies. The future development of the North Sea Region, however, will be determined by its ability to achieve economic progress through shared development objectives and shared resources, building on individual regional strengths and territorial potentials.

The emphasis of the strategy is the promotion of innovation and the knowledge economy and the importance of creating attractive and sustainable places in which to live and work. The analysis of the North Sea Region shows the potential it has to develop its role as a world leader in high-value knowledge-intensive economic activities as well as in the sustainable management of living environments and environmental resources to maintain and enhance a balanced and sustainable development of the regions. At the same time, it is a diverse territory where regional imbalances pose a challenge to territorial cohesion.

The Programme Strategy is based on an agreed logical progression of ideas and objectives. The Strategy has been developed to deliver an overall aim, agreed by all the partners, through identifying a number of objectives and related priorities. An illustration of the Strategy is set out on page 19 (logic tree) and expanded on below. The Strategy is underpinned by a number of assumptions. A fundamental assumption is that a transnational cooperation approach is not solely based upon people and organisations working together but also involves places developing strategic relationships to their mutual advantage. Through its actions the Strategy also aims to deliver higher-level aims relating to equal opportunities, the promotion of innovation, territorial cohesion and sustainable

development. These form four cross-cutting themes and projects will be expected to demonstrate their links to each of these.

### **3.2 PROGRAMME AIM**

The aim of the programme is **to make the North Sea region a better place to live work and invest in.**

By this we mean that the North Sea Region Programme has a role in enhancing the overall quality of life for residents of the North Sea Region by ensuring that there is access to more and better jobs, by sustaining and enhancing the acknowledged environmental qualities of the region, by improving accessibility to places and ensuring that our communities are viable, vibrant and attractive places to live and work.

These are issues that require interventions at the transnational level and are the areas where transnational cooperation action is regarded as most likely to deliver the overall aim of the Programme. The purpose is to promote transnational cooperation that:

1. Increases the overall level of innovation taking place across the North Sea Region,
2. Enhances the quality of the environment in the North Sea Region,
3. Improves the accessibility of places in the North Sea Region,
4. Delivers sustainable and competitive communities.

These Objectives are multi-dimensional and clearly strongly inter-related. The intent of the Programme Strategy is to make a measurable difference in each of these areas by the end of the Programming period in 2013. In order to deliver these Objectives the Programme focuses on four priority areas. These are considered to be the areas where this Programme is best focused in order to deliver the results required. Other programmes, whether European, national or regional, can play their part in delivering the overall aim expressed in this Programme and endorsed by the respective stakeholders.

### **3.3 THE STRATEGIC FOCUS OF THE PROGRAMME: PROGRAMME PRIORITIES**

The aim and objectives of the transnational co-operation programme will be delivered through four Priorities. The emphasis is on stimulating transnational cooperation in ways that will provide tangible benefits to the areas concerned and the Region as a whole. The priority axes contain targets and are quantified by output, result and, where appropriate, impact indicators, which will help to measure the progress in relation to the baseline situation and the effectiveness of the targets to implement the priorities.

Whilst each Priority links most closely to one of the four objectives it is important to stress that the actions undertaken under each Priority can, and will, also contribute to the other objectives. For example, projects may seek to increase the capacity for innovation

across the Region by undertaking actions that also help to secure the sustainable development of our urban areas, or vice versa.

We briefly introduce each of the Priorities below, with the main content of each set out in Chapter 4.

### **3.3.1 Priority 1 Building on our capacity for innovation**

The development and introduction of new and improved products and services is crucial for the long-term competitiveness of an economy. Innovation can offer new economic opportunities for areas that are experiencing the challenges of economic restructuring. The North Sea Region has a strong reputation for R&D and innovation, although this is not uniformly distributed. It is crucial that we build on this base if we are to confront the challenges of the future and make the North Sea Region a better place in which to live, work and invest.

The priority aims at boosting innovation at all policy levels and sectors throughout the North Sea region. The aim is to encourage a transnational and multidimensional partnership approach between business, industries, SMEs, researchers, universities and public administration in the shared task of promoting our innovation performance in the light of the objectives of the Lisbon and Gothenburg Agenda. By strengthening the capacities of clusters and networks of business and services, and institutions and society in line with the Community Strategic Guidelines on Cohesion and the National Strategic Reference Frameworks of the Member states, innovation based projects will create favourable environments for SMEs, business development and economic growth. The wider adoption and use of ICT applications will play a role as an enabler to increase the region's capacity for innovation. The aim is to ensure that firms and research centres are able to compete with the best. Innovation based projects will support and, in turn, will be supported by the other themes of the programme, particularly linked to environmental technologies, logistics and the energy sectors.

### **3.3.2 Priority 2 Promoting the sustainable management of our environment**

The North Sea Region has a reputation as an area with a high quality environment. This is protected through the application of environmental standards and a culture, which places great store by this resource. Our environment is under pressure though from social and economic uses, as well as the implications of changing environmental conditions. We seek to manage these pressures in order to maintain the value of our environment for the benefit of future generations, and to achieve our aim of making the North Sea Region a better place in which to live, work and invest.

The priority strives to create conditions for sustainable economic development that goes hand-in-hand with environmentally responsible practices as highlighted in the Lisbon and Gothenburg Agenda. Transnational co-operation will concentrate on the development of

preventative and responsive measures to address acute and chronic marine pollution. Actions will also focus on Integrated Coastal Zone Management approaches and the management of sea areas and marine ecosystems, which have proven important for delivering sustainable benefits to the region in the future, and we wish to promote and extend this practice further. The priority also addresses the risks posed to society and nature by a changing climate, for example by promoting the creation and implementation of management plans in the fields of nature protection, civil protection and security policy that are all fundamental challenges to our lifestyles and livelihoods. It will finally aim at enhancing environmentally responsible energy production practices contributing to a lower-carbon economy and society. Projects should aim to tackle issues related to new approaches of developing innovative environmental solutions (e.g. production of renewable energy and water management). This will stimulate faster uptake of new, safer and cleaner technologies by using fewer natural resources, reducing pollution and the risks posed to health and safety.

### **3.3.3 Priority 3 Improving the accessibility of places in the NSR**

Promoting better levels of accessibility and connectivity is crucial to achieving the wider objectives of this Programme. This includes the access of places for people and for the movement of goods. In speaking of accessibility we are not only thinking of physical infrastructure but also of the logistics technologies and procedures that are so important in enabling, and maximising, the efficient movement of goods and people. Through transnational cooperation actions we aim to improve the accessibility of places in the North Sea Region in order that this delivers tangible benefits to the residents and firms based in the region, and makes the Region a better place in which to live, work and invest.

The priority supports to enhance and improve accessibility throughout the North Sea region in order to deliver economic and social benefits. Public and private partnerships are encouraged to develop and implement transnational concepts for an efficient transport system and transnationally integrated terrestrial and maritime corridors, addressing common technological, financial, planning and administrative constraints. Transnational strategies for the preparation of investments in infrastructure and logistics at regional level, including concepts for regional accessibility are important requirements for future viability and competitiveness of our regions. Moreover, the supported development of new logistics concepts and innovations in the transport sector will provide the necessary means to deliver the objectives of this priority. Projects are also sought to tackle issues related to the development of multi-modal transport corridors, improvement in cargo logistics systems, inter-modal transport interfaces and transport monitoring systems.

### **3.3.4 Priority 4 Promoting sustainable and competitive communities**

The communities that make up the North Sea Region are all experiencing pressures of change. This takes different forms depending upon the particular mix of demographic,

economic and environmental drivers in each case. For those places that are already attracting new populations, issues of inclusion, congestion and demand for land, rise to the fore, whilst for those that are losing jobs, services and population the challenge is one of finding mechanisms that stem this tide. Many of these issues are best tackled at the local and regional level, yet the commonality of these issues and the functional interconnections of communities in the region present a strong argument for supplementary efforts built upon transnational cooperation. In this respect this priority seeks to create more sustainable communities through developing radical approaches to the pressures that they face. In the light of the diverse patterns of structural change it is vital for the NSR to apply a holistic approach to the sustainable development of regions and ensure vibrant communities that are attractive places in which to live and work.

The priority aims to enhance the strengths of urban and rural areas, thus creating conditions in the regions to build up their individual capacity for innovation and accommodate favourable opportunities for growth and more and better jobs. Transnational co-operation will concentrate on those geographical areas that are suffering from economic and population decline and subsequent social pressure. The ongoing patterns of demographic change have profound implications for service delivery and for territorial patterns such as land-use in the future. At the same time, larger urban centres and metropolitan areas works as catalysts for innovation, many urban areas are struggling with the consequences of immigration and issues related to urban expansion. Projects will have to tackle issues related to new approaches to service delivery, integration of an in-migrating labour force and economic restructuring, using individual regional assets such as the cultural heritage. This priority also focuses on promoting greater efficiency in energy consumption. Transnational exchange of experience in this area will lead to tangible outputs in encouraging the development and implementation of energy-efficient approaches within the society and the regional economies in the build environment that are crucial components in order to develop sustainable and competitive communities for the future.

### **3.3.5 Interrelation and links between the priorities**

Although the Programme is organised around four Priorities and 15 areas of intervention these are not independent of each other, but rather complement one another and are strongly interrelated.

Priority 1 addresses the importance of an integrated approach to developing a knowledge-based and innovation-led economy. This innovative approach is transversal throughout the programme. Developing new ICT concepts, business products and processes, these activities are also particularly linked to Priority 2 promoting 'environmental', maritime and energy-related technologies as key sectors in the Region. The maritime environment and economy is also an important area of action that has direct links to the co-ordination with accessibility strategies (Priority 3) and the attractiveness of communities (Priority 4). Strengthening the innovation profile also dominates Priority 3 through enhancing efficiency in managing goods and passenger flows in the context of corridors reaching

across large territories, and exploiting the potential of new innovative technologies, for example in the field of logistics. Ensuring that institutions and businesses can increase their knowledge and capacity for innovation, that high quality jobs can be maintained and a skilled labour force attracted will require to consider the specific urban and rural tensions and develop holistic place-based solutions in Priority 4, including the response to ongoing demographic and structural changes as well as the impact on the environment in order to promote and build on the diversity of the regions around the North Sea.

### **3.3.6 Justification of the priorities chosen**

The set of priorities in the programme has been chosen by viewing the strengths, weaknesses, opportunities and threats identified in chapter 2 for the North Sea Region in perspective with the policy agendas at European and national levels. The challenges set out in chapter 2.7 are evidence-based and depict the major development issues for the years to come in the North Sea Region, whilst the Lisbon and Göteborg Strategies together with the national policies (including the NSRF) and the Territorial Agenda provide direction for future transnational co-operation in Europe.

In this context,

1. the promotion of innovation amongst institutions, businesses and society is a top priority, particularly when they are linked to benefits for
2. improving the environmental quality, for example through clean technologies. At the same time,
3. improved accessibility of the Region and between its parts and
4. attractive and viable places to live and work in underpin the territorial dimension of transnational co-operation to ensure sustainability and a balanced regional development.

Programme preparation was focused on these four key themes reflecting the Region's development issues described in the analysis so that future interventions would address the barriers and constraints to a sustainable future of the Region. This process and the chosen priorities as its result have been verified by the ex ante evaluation carried out (see page 20).

Virtually all identified internal weaknesses and challenges are addressed by the areas of intervention owing to the holistic territorial approach of the programme. However, where the coverage of a topic is not comprehensive, this is a choice made by the Member States and Norway based on the judgement that it would be dealt with in a comprehensive manner by other policy instruments, respectively in other territorial contexts. Consequently, it is vital for the programme's success and maximum impact that projects link to other funds in order to utilise the transnational results and implement major follow-on projects.

The Programme therefore encourages concrete actions triggering tangible outcomes. Its priorities and areas of intervention are a well-founded response to the identified weaknesses and a sound reflection of the challenges ahead for future transnational territorial co-operation in the transnational North Sea Region.

### **3.4 PRINCIPLES FOR ASSISTANCE**

The strategic value of the North Sea Region Programme lies within the ability of funded projects to achieve impact on account of their contribution to the objectives of the Lisbon and Gothenburg strategies through transnational co-operation. In addition to the Priorities identified as the focus for Programme activities there are six principles for assistance that should be central to any project activity. Project applicants are expected to take these following elements into account when developing their projects. These form essential quality criteria and all projects will be expected to address these, reporting why they feel this is not required if they choose not to do so.

#### **3.4.1 Sustainable development**

It is expected that projects will contribute to the sustainable development of the North Sea Region in correspondence with the renewed EU Sustainable Development Strategy (SDS)<sup>1</sup>. Sustainable development offers a positive long-term vision of a society that is more prosperous and more just, and which promises a cleaner, safer, healthier environment – a society, which delivers a better quality of life for current and future generations. Achieving this in practice requires that economic growth supports social progress and respects the environment, that social policy underpins economic performance, and that environmental policy is cost-effective. Projects are required to endorse the principles of sustainable development as a catalyst for policy-making and raising public awareness. Defining clear, stable, long-term objectives for transnational partnerships will shape expectations and create the conditions in which businesses have the confidence to invest in innovative solutions, and to create new, high-quality jobs. The North Sea Region Programme provides a framework to focus on a number of topics relevant to the region in order to facilitate the translation of the vision into practical policy actions.

#### **3.4.2 Innovation**

It is expected that projects will promote innovation and the transition to a knowledge-based economy in the North Sea Region. Developing a positive innovation-orientated culture will take a sustained effort. We should always be thinking how actions in one area might serve to promote and reward the opportunities for innovation amongst firms in the North Sea Region. This will often involve looking at the 'bigger picture' outside of our own home area, something that transnational cooperation projects are uniquely equipped to achieve. The North Sea Region Programme provides an instrument that promotes long-term planning as the frame of reference in which short-term decisions must be taken. Where projects are considering their role in promoting wider opportunities for innovation they may wish to bear in mind that standard-setting approaches are more likely to encourage innovative responses than those that are technologically driven. Similarly, transnational cooperation projects have a unique opportunity to create, and sustain,

---

<sup>1</sup> In line with Regulation (EC) No 1083/2006, Art. 17



collective learning environments which can be used to transmit knowledge to the benefit of innovation practice.

### **3.4.3 Territorial cohesion**

It is expected that projects will work to promote territorial cohesion across the North Sea Region. The concept of territorial cohesion should be regarded in the same light as efforts to stimulate social and economic cohesion and refers to valuing the diversity of the European territory, supporting the European social model and enabling people to continue to live in their home regions. In practical terms this means that projects should consider the contribution that they can make to:

- focusing regional and national territorial development policies on better exploiting regional potentials and territorial capital - Europe's territorial and cultural diversity;
- strengthening the profile of areas within the North Sea Region through transnational European cooperation aimed at facilitating their connectivity and territorial integration;
- promoting the coherence of policies with a territorial impact, both horizontally and vertically, so that they support sustainable development at a national and regional level.

### **3.4.4 Equal opportunities**

It is expected that projects will enhance equal opportunities for all and the equality between men and women and non-discrimination<sup>2</sup>. The North Sea Region Programme is committed to the promotion of equal opportunities in all its activities. This includes project sponsors having a developed organisational strategy demonstrating how they act to promote equal opportunities themselves but also, naturally, how the project will impact on equal opportunities in the Region. Projects will be expected to identify how their activities deliver positive benefits in the area of gender equality and non-discrimination. Equality of opportunity is not purely about opportunities for women. The North Sea Region Programme recognises that people with disabilities, ethnic minority groups and others who may be disadvantaged need help and support to gain and stay in work, whether that be paid employment or in the voluntary sector. In promoting equal opportunities projects may consider the wider economic benefits that emerge in terms of tackling skills shortages, increasing employment levels, higher income levels and increasing levels of entrepreneurship within the economy, thus making full use of the productive potential of the North Sea Region's work force. For further information in this area projects are advised to consider the lessons learnt from the EQUAL Initiative and the opportunities for further mainstreaming these.

---

<sup>2</sup> In line with Regulation (EC) No 1083/2006, Art. 16

### 3.4.5 Transnational co-operation and the partnership principle

It is anticipated that projects will demonstrate the added value of undertaking the proposed actions on a transnational basis. The partnership principle<sup>3</sup> is an intrinsic part of the NSRP as it promotes transnational co-operation and thus focuses its funds on a specific need of regions to best tackle weaknesses and meet challenges for regional development. The transnational North Sea Region Programme enables the actors involved to place regional policy objectives into a wider territorial context of a macro-region, enhancing the cohesiveness of actions at regional, national, and European levels. More specifically, the role of the North Sea Region Programme is to create an organisational and institutional environment that is conducive for innovation, regional development and transnational learning, by building on the strengths of its individual territories and utilising their potential as a resource. Areas where added value can be identified include:

- The benefit of developing a joint learning and implementation environment. In this respect the programme allows cooperation between different levels of government (vertical integration), among different policy sectors (horizontal integration), whilst reaching across national boundaries (geographic integration).
- The benefits of enhancing the complementarity of activities, policies and programmes developed in the North Sea Region.
- The benefit of acting as a catalyst for the transnational region to provide a unique opportunity for delivering concrete strategic actions and improving regional performance in multi-dimensional and cross-sectoral partnerships.
- The benefit of undertaking actions at the greater scale that transnational working enables, either providing subsequent economies of scale or allowing the development of a requisite critical mass.

The specific added value deriving from this is inherent in projects with certain features. The following elements serve as criteria aiding the selection of transnational projects:

- The problem addressed cannot, by its nature, be satisfactorily tackled within one country;
- The objectives defined, and work carried out are consequently shared between partners from different countries;
- Co-operation between partners improves the quality of results compared to the possible achievements of a partner working on its own;
- Networking, knowledge transfer and the exchange of good practice in transnational partnerships (inviting private partners<sup>4</sup>) create added value and enable the individual regions and organisations to attain increased capacity in running sustainable economic development policies;
- The results of the work performed are relevant to the wider North Sea Region and can therefore to some extent be transferred to other parts of the transnational territory;

---

<sup>3</sup> As stipulated in Regulation (EC) No 1083/2006, Art. 11

<sup>4</sup> Cf. "public similar partners", p. **Error! Bookmark not defined.**

- Co-operation arrangements are integrated across sectors (horizontally) and national boundaries (geographically) and embrace all levels of government and administration (vertically) in pursuit of achieving sustainable development.

### **3.4.6 Additionality**

Only projects, which provide “additional” outputs – i.e. which would not have been provided without support by the North Sea Region Programme – will be selected at application stage. By this we ensure that funds from the North Sea Region Programme do not replace public or equivalent structural expenditure by a beneficiary.

## **3.5 COHERENCE AND COMPLEMENTARITY WITH COMMUNITY AND NATIONAL POLICIES AND PROGRAMMES**

Building synergies and complementarities with other community and national policies, initiatives and programmes will maximise the strategic impact of the North Sea Region Programme, by utilising the results of these or forming the basis for follow-up activities, such as investments.

Projects are expected at application stage to have considered those links in line with the general regulation<sup>5</sup> and to specify and describe complementarity and synergies with different Community funds and national programmes in the participating countries. This information will be considered by the programme authorities before decision-making to grant funding. In this way projects will be enabled to mobilise additional resources hence increasing the leverage effect of the programme.

In this position, the North Sea Region Programme can make a significant contribution to delivering the aims of the Lisbon strategy and the Gothenburg agenda. The NSRP is therefore developed in line with a number of core policies and programmes.

### **3.5.1 Core policies and programmes**

- Innovation, growth and competitiveness policy (Lisbon strategy, the Community Strategic Guidelines on Cohesion, National Reform Programmes for jobs and growth),
- Sustainable development policy (Gothenburg agenda, the renewed Sustainable Development Strategy (SDS), national Sustainable Development Strategies)
- National Strategic Reference Frameworks (NSRF) of the member states
- Cohesion policy,
- European Agricultural Fund for Rural Development (EAFRD) and European Fisheries Fund (EFF)
- European Social Fund (ESF)
- Territorial agenda of the European Union – Towards a More Competitive Europe of Diverse Regions,

---

<sup>5</sup> Regulation (EC) No 1083/2006, Art. 9 and Regulation (EC) 1080/2006, Art. 12

- The Bristol Accord (Sustainable Communities accord signed under the UK presidency December 2005),
- EU and North Sea Maritime policy, Maritime Safety Umbrella Operation (MSUO),
- European Spatial Development perspective (ESDP), the spatial vision for the North Sea region (NorVision) and the spatial vision reports on updating NorVision.

At the core of these reference policies are the Community Strategic Guidelines on Cohesion 2007-2013 and the corresponding National Strategic Reference Frameworks (NSRF). (Appendix 3.1)

In the Third and Fourth Cohesion Report and the ERDF Regulation, the European Commission has advocated a strategic approach to cohesion with an emphasis on economic growth and employment and the objectives of the Lisbon-Gothenburg Strategy. The Community Strategic Guidelines for Cohesion 2007-2013 (COM(2005) 0229) provide the basis for the preparation of the drafting of the National Strategic Reference Frameworks (NSRF) by the Member States.

The NSRFs have been reviewed with regard to the identified priorities covered by the North Sea Region Programme on transnational co-operation and their relation to delivering the aims of the Regional Competitiveness and Employment and European Territorial Co-operation objectives. For Norway as the only non-EU Member State participating in the North Sea Region Programme, the National Framework for Rural and Regional Policy (white paper no. 21, 2005-2006) has been reviewed.

Another important point of reference is the EU Sustainable Development Strategy. The North Sea Region programme endeavours to contribute to its aims through the thematic scope and focus of actions and by ensuring co-ordination with other funds, such as the Life+ programme, in order to enhance complementarity and synergies and optimise the use of programme funds to promote sustainable development.

### **3.5.2 Coherence with measures financed by the EAFRD and EFF**

The North Sea Region Programme operates to some extent in the same sectors as the rural development programmes financed under the European Agricultural Fund for Rural Development (EAFRD), particularly axis 3 (The quality of life in rural areas and diversification of the rural economy) and axis 4 (Local Action Groups). The measures may include e.g. diversification into non-agricultural activities, support for business creation and development, encouragement of tourism activities, basic services for economy and rural population as well as conservation and upgrading of the rural heritage. Under axis 4, it is also possible to finance transnational co-operation projects in any of the sectors covered by the rural development programme. Furthermore, the measures under axis 3 and 4 are targeted not only to the farmers, but to the whole rural population.

The major difference between the North Sea Region Programme and actions eligible under the EAFRD is the magnitude and profile of operations. Most of the projects financed by the EAFRD programmes are implemented at local or regional levels and are targeted at benefit of local communities (farmers, forest owners, economic operators). For transnational co-operation projects financed by the EAFRD programmes the initiative

comes from the local level (from so called Local Action Groups), while in the North Sea Region Programme the initiative and ideas are introduced more from an overall North Sea Region perspective. Moreover, the focus of the North Sea Region Programme is on settlement structures of the rural areas and functional co-operation between towns and cities of different sizes (including metropolitan areas), which is not covered by EAFRD programmes.

The North Sea Region Programme can bring value-added to the rural development programmes by identification, planning and implementation of activities targeted in a wider context. This gives the opportunity, in co-operation with the national, regional and local levels, to find new solutions in problems that are common in larger territories and that cannot be solved at a local or national level alone.

In the regions in the programme area with significant sector-dependency on fishery the North Sea Region Programme may supplement actions co-financed by the European Fisheries Fund (EFF), especially with regard to sustainable development of coastal fishing areas, which are in the process of economic decline. It foresees under its axis 4 the sustainable development of fisheries areas, which should be particularly taking into consideration for complementarity and synergy for activities in priority 2. This may be done through elaboration and implementation of new pilot solutions promoting a multi-sectoral and territorial approach to identified problems.

### **3.5.3 Links to other territorial programmes**

The transnational co-operation programme for the North Sea region encourages links to the adjacent transnational areas, both at programme and project level, in order to enhance synergies and avoid overlap. This accounts particularly the neighbouring macro-regions and programmes, i.e. Northern Periphery, Baltic Sea Region and North West Europe and can play a crucial role as a catalyst for making a greater impact on European territorial development. The Maritime Safety Umbrella Operation (MSUO) involving these four transnational co-operation areas is an excellent example for identifying and responding to the need of co-ordinating efforts in different transnational areas, which are working in the same field and where close co-operation is inevitable for meeting the common challenges.

Being an instrument to facilitate territorial co-operation it is crucial to ensure complementarity with cross-border programmes in the co-operation area (Interreg IV A, e.g. Kattegat-Skagerrak-Øresund) and interregional programmes (Interreg IV C), including particular initiatives with close relation to the NSRP, such as 'Regions for Economic Change', of which also the URBACT programme is a part. The NSRP may set the scene for cross-border co-operation through strategies focused on regional integration yet embracing larger territories. It may also serve as a tool to implement model solutions in specific policy areas such as urban policy devised in interregional co-operation projects, by 'translating' generic methodologies into instruments that are adapted to regional

conditions specific to the transnational area and integrated into comprehensive regional development strategies.

Special attention shall be given to the services provided by the INTERACT II programme. This EU-wide programme focuses on the good governance of territorial cooperation and provides needs-based support to stakeholders involved in implementing programmes under the European Territorial Co-operation objective. The target groups for INTERACT are primarily the authorities to be established according to Council Regulations 1083/2006 and 1080/2006 as well as other bodies involved in programme implementation. In order to ensure maximum benefit from the INTERACT programme for the implementing bodies of this programme, the use of INTERACT services and documentation as well as the participation in INTERACT seminars will be encouraged. Related costs are eligible under Technical Assistance.

The NSRP encourages projects to be evidence-based when focussing on territorial development and cohesion, and therefore to build on existing findings and knowledge of the ESPON programme 2000-2006 and establish links with its successor.

#### **3.5.4 Examples of links to other types of programmes**

It is also important to build strategic links to other complementary European programmes and instruments, initiatives, and financing sources focused at assisting sector development or the improvement of access to knowledge, technology, or funding. Establishing links to the Regional Competitiveness and Employment objective of the European Structural Funds with its development programmes are key for all priorities of the NSRP to maximise its impact and increase its leverage effect, particularly with regard to promoting economic change through innovation and the promotion of the knowledge society, entrepreneurship, the protection of the environment, and the improvement of the accessibility of the regions. Actions financed from the Competitiveness and Innovation Programmes (CIP) potentially offer complementary funding for the projects implemented in the NSRP as a result of transnational co-operation. In this context, the cohesion policy initiatives JASPERS, JEREMIE and JESSICA will be of utmost importance as complementary tools to transnational NSRP projects to facilitate access to finance for investments, implement follow-on projects and unlock resource for SMEs.

More specifically, potential synergies and complementarity in relation to each programme priority can clearly be identified:

As part of the CIP the Entrepreneurship and Innovation Programme (EIP) is highly relevant for synergies with actions funded in Priority 1 of the NSRP, particularly regarding business support networks as a result of transnational co-operation, or the efficient use of the risk capital instrument or possible SME loan portfolios of the EIP.

The ICT policy support programme, also as part of the CIP running under the Competitiveness and Employment objective is of great importance to Priority 1 in particular, but also to Priorities 3 and 4 of the NSRP as they share objectives that

contribute to the European Information Society strategy i2010. NSRP project can profit from links and further financing of actions related to, e.g. stimulating the emerging digital economy by promoting innovative approaches to social inclusion, quality of life and public services, or testing services and infrastructure in both the public and the private sector.

Actions financed under the Intelligent Energy – Europe programme as part of the CIP directly link to transnational territorial co-operation projects in Priority 2 and 4 with regard to the promotion of renewable energy sources and of increased energy efficiency. The NSRP can significantly support actions under this programme by building higher administrative capacity in a transnational multi-level governance context to develop policies and foster compliance with the energy regulatory framework. It is also relevant for Priority 1 where actions are designed to increase the level of investments in new and best performing technologies and facilitate the effective introduction to the market.

Additionally, activities funded under the 7<sup>th</sup> Framework Programme (7<sup>th</sup> FP) i.e. those related to Regions of Knowledge aimed at building research capacity in a regional context. Particular opportunities for synergies and complementary funding to projects in Priority 1 and 4 of the NSRP provide integrated projects, networks of excellence and regional research-driven clusters, bringing the benefits of research to SMEs and integrating rural and maritime knowledge economies.

The Marco Polo II programme has considerable potential for synergies with projects funded under Priority 3 of the NSRP in the context of transnational accessibility strategies. Particular complementarity can be identified in relation to actions promoting motorways of the sea. Among other policies, strategies and programmes that should be used to inform projects or provide the framework for follow-on actions in Priority 3 are, for example, TEN-T with regard to potential follow-up investments and the European transport policy white paper for 2010.

The 6<sup>th</sup> Environmental Action Programme (6<sup>th</sup> EAP) provides great potential for synergies with NSRP projects in Priority 2 and 4 in pursued of the Lisbon and Gothenburg agendas, for example through the thematic strategy on sustainable urban development.

The North Sea Region Programme also promotes actions of a similar character to the ESF, such as attraction of different social groups to innovation and environmental issues, transformation of North Sea Region labour market policies and areas etc. These actions will, however, always be implemented in a transnational and regional development context. Projects directly supported under ESF could deepen this approach in local and regional contexts, but could also provide inputs to the North Sea Region Programme towards transnational North Sea Region strategies. It is therefore essential to link NSRP activities to the ESF and co-ordinate the results of projects as necessary, especially with regard to interventions concerning the promotion of partnership for reform in the fields of employment and inclusion, enhancing participation in the labour market as well as the increase of adaptability of enterprises. Actions promoted under the ESF related to the now mainstreamed former EQUAL initiative bear distinct opportunities for synergies and complementarity with regard to transnational co-operation, with the NSRP taking up results or providing good practice in a North Sea Region perspective.

Links to the ESF may be of particular relevance in the context of priority 4 where a holistic territorial approach is pursued, which promotes the development of comprehensive concepts and actions to tackle specific regional issues, for example as a response to demographic trends in the North Sea Region (e.g. with regard to the labour market, employment or social inclusion).

A more comprehensive overview of policy frameworks and funding programmes relevant to the North Sea Region Programme is given in Appendix 3.2.

The North Sea Region Programme can play a vital role in the advancement of networks and the consequent development of project ideas that can be taken forward and further developed within complementary programmes. This relationship between programmes will greatly contribute to achieving common goals, particularly those relating to increasing levels of economic activity and the promotion of territorial cohesion.

By ensuring coherence and complementarity, the Interreg IVB North Sea Region Programme is designed to achieve maximum impact on account of its distinct strategic focus and through its position in the structural and regional policy environment, maximising its leverage effect.

### 3.5.5 Strategic Projects

Compared to 'good' projects financed under the programme, strategic projects should have certain additional features. Strategic projects should not be regarded mechanically, where just some "tick-box" requirements are to be met. Rather, they should be seen as projects that have all the characteristics of "good" projects but in addition have the ambition to result in significant change or improvement in the whole or large parts of the NSR. One way they may indicate this would be by using the transnational programme funds to prepare major cooperation projects, which could subsequently be financed by other programmes and funds (e.g. Objective 2 of EU Cohesion Policy, TEN-T or national budgets).

There are a limited number of examples of strategic projects in each priority in order to; give a clear structure to the priorities; illustrate the strategic value of each priority in the framework of the whole programme; and demonstrate concrete outcomes expected from each priority.

The examples of strategic projects included in the priorities are indicative and **not** exclusive. The intention is to leave the opportunity to fund other projects that may also tackle strategic issues.

Strategic projects are expected to demonstrate the following:

- The geographical area or area of influence encompasses a large part of the region,



- Actions refer not to a single standing local or regional case but contribute to the prosperous development of a major part of the region,
- The projects have political support and backup at the national level of the member states involved (for Germany National/Länder level, for Belgium read Flanders), which take responsibility for endorsement of the policy recommendations,
- The project has the potential to act as the preparation phase for a major co-operation project,
- They will have a lasting impact.

There is one example of a strategic project listed under each priority.

### **3.5.6 Conditions for cooperation outside the eligible area**

In order to support the objective to establish strong links to relevant activities outside the eligible programme area (cf. Chapter 3, Strategy), and in line with Article 21 of the ERDF Regulations, in cases where there is clear benefit for the North Sea Region, expenditure of up to 20% of the individual project budget may be spent outside the North Sea Region Programme eligible area. This will be restricted to: North West Europe, Northern Periphery and Baltic Sea. Spending of 10% in the rest of Europe and outside the European Community may be possible, in rare and exceptional cases where the impact of a strategic project would thereby be maximised. The responsibility for the correct use of the funding of activities carried out outside the eligible area will remain with one specific project partner inside the eligible area. This partner will be the final beneficiary. The chain of responsibility will be specified in the Grant Offer Letter for each individual project. This means that the member state/Norway, in which the responsible partner/beneficiary is located, is ultimately responsible in cases of irregularities in line with Article 17(3) of Regulation (EC) No 1080/2006.

### **3.5.7 Maintaining the strategic focus of the programme**

It is essential for the success of the North Sea Region Programme to steer programme implementation and to provide for an effective system enabling project generation, project and programme monitoring and programme promotion. This will ensure to maintain the strategic focus of the programme and to meet its objectives.

The way this has been achieved under the current Interreg IIIB North Sea Region Programme is through the Business and Implementation plan. This was submitted to the Monitoring Committee for approval at an early stage of programme implementation and updated annually until all the funds were committed. The implementation strategy included gaps analysis, focused calls for applications, thematic seminars, road show promotion events in each participating country, an annual conference with seminars and workshops, lead beneficiary seminars, calls for project application focussed on specific themes and topics or with a defined strategic direction.

Building on this good practice, programme implementation will be accompanied by key measures to ensure that the programme runs smoothly and meets its objectives and targets.

Concerning requirements for project development, this implies:

- Projects developers are required to assemble partnerships comprising European, national, intermediate (international, transnational, interregional, cross-border), regional and local actors.
- Projects developers are expected to deliver European, national, regional and local policy with added value via the transnational projects.

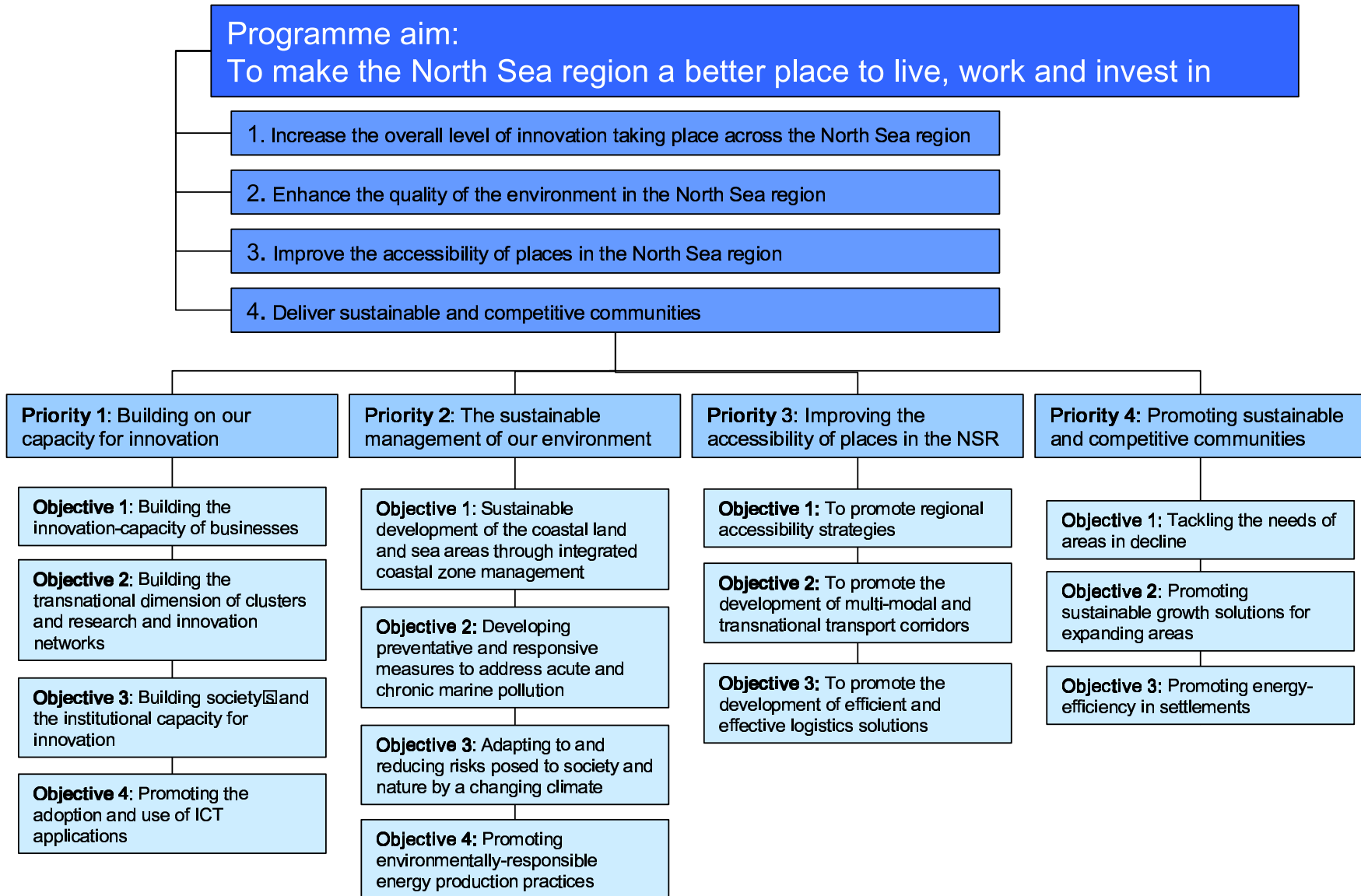
For the implementation system, this implies:

- At project level, to assess project applications against eligibility criteria reflecting the minimum requirements for projects, and priority considerations as decided by the Monitoring Committee at its first meeting to be set out in accordance with the strategy and the strategic focus; an effective project monitoring system corresponding to application and assessment procedures;
- At priority level, to monitor the thematic coverage within and across priorities employing instruments to guide project generation and give strategic direction.
- At programme level, to provide a system of core indicators that are meaningful, few in number, measurable and easy to collect; this allows for monitoring the programme progress and impact, informs programme dissemination, and aids the adjustment of targets and the update of baseline information.

Organisationally, this implies:

- A strong involvement of the Member States and Norway at national and regional level in project generation and selection, which in turn demands a strong role of the National Contact Point Network to be established
- Conducting surveys amongst projects during the programme period on the effects of the 'soft' impacts of co-operation (i.e. building capacity, raising competence and awareness) to better inform evaluation and to provide a sound basis for steering the project generation process.

### 3.6 THE LOGIC OF THE PROGRAMME



## **3.7 SUMMARY DESCRIPTION OF THE EX ANTE EVALUATION RESULTS**

### **3.7.1 Introduction**

This chapter reports on the assessment by the ex ante evaluation and strategic environmental assessment team (ECORYS, ECOTEC & COWI) of the Objective 3 North Sea Programme 2007 – 2013 (NSP). This chapter describes the outcomes of the ex ante evaluation and a summary of the results from the strategic environmental assessment (SEA). A full account of the findings of the SEA is presented in separate report.

The evaluation and environmental assessment was carried out in an iterative process with the programme preparation group and the programme secretariat. In each stage of the preparation process the evaluation and assessment team reacted on draft texts of the programme document and changes made as follow up on the outcomes from the evaluation and assessment. Beginning of November 2006 the ex ante and environmental assessment team attended the meeting of the programme preparation group in Gothenburg and presented a full overview of the assessment of the draft programme document available at that moment.

In their assessment and environmental evaluation the team followed the evaluation questions as listed in the terms of reference for the assessment. In each section of this chapter the evaluation questions to be answered are listed.

### **3.7.2 Appraisal of SWOT and analysis**

*Is there a sound basis of the SWOT in the analysis?*

Yes. The analysis in Chapter 2 of Version 5 gives a sound background to the strategy of the programme. Relevant topics of the future development of the North Sea Region have been addressed in the analysis and clear challenges have been defined summarizing the available research on the different topics. The challenges mentioned are widely recognised and are also addressed by regional, national and European policies.

*Are there clear links between strengths and opportunities, and trends in the region?*

Yes. All challenges for the North Sea region as mentioned in the analysis are listed in the SWOT table, mostly as weaknesses or opportunities.

*Are there clear links between analysis/SWOT and priorities?*

Yes. There is a clear link between the analysis/SWOT (particularly the challenges formulated in the analysis) and priorities. All main challenges are incorporated in the objectives of the different priorities.

Chapter 3 of the programme document describing the strategy of the programme contains a basic justification of the challenges which have been selected.

*Is the SWOT underpinning a successful programme?*

Yes, the SWOT/analysis forms a solid base for a successful programme.

### **3.7.3 Rationale and consistency of the programme**

*Does the strategy have clear objectives and priorities?*

Yes, the North Sea Programme has clearly defined objectives, clearly defined priorities, and there is a clear link between the objectives, the priorities, the description of the rationale and the interventions. Not only are the objectives of the priorities clearly described but also the areas of intervention and possible co-operation activities are defined. The evaluators consider it positive to include example activities as this provides the project developers guidance in setting up their projects.

The strategy of the North Sea Programme follows clearly the EC Regulations (No 1080/2006, article 6.2) in A) the thematic focus on Innovation, Environment, Accessibility and Sustainable Urban Development and B) stimulating networks and actions. All four priorities are very well in line with the regulations.

The North Sea Programme follows clearly article 12 of the same regulations by justifying the priorities through the Community Strategic Guidelines and the National Strategic Reference Frameworks.

The principles of assistance (EC Regulation No 1083/2006, chapter IV) such as equal opportunities, sustainable development, the partnership principle and additionality are dealt with. Furthermore the requirements and possibilities of transnational co-operation are clearly described.

The target groups are not defined in the text describing the priorities, areas of intervention and indicative cooperation activities. However, they are listed for each area of intervention in the indicator tables.

*Can those objectives be realistically achieved with the financial resources allocated to the different priorities?*

On the one hand, the programme document contains a clear set of indicators with quantified target values. The target values are based on the experience with the implementation and evaluation of the previous North Sea programmes and seem to be realistic. On the other hand, the programme is addressing a wide variety of topics. This bears the risk of fragmentation of the budget and can prevent achieving significant results. The programme document recognises this risk and stresses the need for a strategic focus during the implementation of the programme by using flexibility in project development. Moreover, areas of intervention are interlinked and are enhancing each other's impact.

### **3.7.4 Coherence of the programme with regional and national policies**

*Is the strategy coherent with policies at regional, national and community level?*

*How will the strategy contribute to the achievement of the Lisbon and Gothenburg strategies?*

Yes. The NSP is coherent with the policies of the 7 participating countries and the European Union.

The NSP is contributing to all three objectives of the Lisbon strategy and the Community Strategic Guidelines. The NSP is indicating clearly its complementarity of the programme with other community and national programmes and policies.

### **3.7.5 Quantification of the strategy & expected results and impacts**

*Are appropriate indicators identified for the objectives and can these indicators and their targets form the basis for future monitoring and evaluation performance?*

Yes, there are clear and limited sets of output and result indicators defined for each of the priorities. The indicators match well the objectives of the programme.

Most of the indicators have quantified target values. The quantified target values are based on experiences with the implementation of previous North Sea programmes and seem realistic.

The evaluators hold the opinion that these quantified indicators form an appropriate basis for the future monitoring and evaluation.

### **3.7.6 Administrative and implementation arrangements**

*Are implementation systems appropriate to deliver the objectives of the programme?*

Yes, the administrative arrangements described in the programme document are appropriate to deliver the objectives of the programmes.

These arrangements are based on a vast and positive experience in transnational programme management for the NSR in the framework of INTERREG.

The arrangements are in line with the Regulations for ERDF programmes for the period 2007 – 2013 (Regulation (EC) No 1080/2006) and with the General Provisions for Structural Funds and Cohesion Fund (Council Regulation (EC) No 1083/2006).

Continuation of the lead partner principle as proposed in the programme document is justified by the positive experiences in the current INTERREG IIIB programme.

### **3.7.7 Strategic Environmental Assessment**

*To what extent do the aims of the NSP emphasise sustainable development?*

The general objective of the programme as well as two out of four objectives of the programme, emphasise sustainable dimensions vested into the objectives adopted.

*To what extent do the objectives of the priorities of the NSP emphasise sustainable development?*

The second priority - Promoting the sustainable management of our environment – focuses on environmental management explicitly and the fourth - Promoting sustainable and competitive communities - emphasises sustainability.

*To what extent is there an environmental impact by the projects to be expected?*

At this stage it is hard to assess in detail to which extent an overall significant environmental impact from the programme activities is expected. The objectives of the programme, its priorities and areas of interventions are in line with European and member states' environmental policies (including Norway).

It has only been possible to identify relevant environmental issues and criteria to be considered in the environmental assessment for a limited number of areas of interventions given in the text under each priority. More than half of the areas of intervention relate to activities which can be characterised as process designs aiming at changing processes and/or working modes of different societal segments. Such process designs may in the longer run lead to a change in practices and policies that may - as a consequence of including considerations of possible environmental impacts into the design of policies and or changes to practices - pave the way for changes in environmental impact extent and direction.

The remaining areas of intervention relate to what may be called project designs, where it will be possible to assess the likely environmental impacts.

If any significant impacts are to be expected these are primarily *positive* impacts that may contribute to a minimization of environmental impacts of existing activities and practices across the North Sea region.

More detailed assessment of environmental impact can only be done when the cooperation activities financed by the programme are more detailed than in this stage of the programming would be possible. For the purpose of ensuring that the integration of environmental considerations takes place when developing concrete activities under the programme a so called downstream environmental screening mechanism have been recommended by the evaluation team and will be considered as an important part of the implementation arrangements for the programme.

### **3.7.8 Conclusion**

Concluding, the North Sea Programme presents a consistent and coherent programme for transnational cooperation. The programme has a clear logic, has clear, well structured objectives, priorities and interventions. The implementation system is clearly described.

A lot of work is done and the document was prepared in good co-operation between the participating countries and the programme secretariat.

The evaluators are confident that a good programme is prepared for 2007-2013 that implements both European, national and regional policies, enables the North Sea Region to strengthen its weaknesses through transnational co-operation.

## 4. THE PROGRAMME PRIORITIES

### 4.1 PRIORITY 1 BUILDING ON OUR CAPACITY FOR INNOVATION

#### 4.1.1 Rationale

Innovation underpins a competitive economy and is fundamental to long-term wealth creation. In the absence of innovation, a firm (and by extension an economy) will become uncompetitive and fail to sustain employment or wage levels. Innovation refers to the introduction of new or improved products and processes and applies to all sectors of the economy. Innovation is the commercial application of knowledge. It needs to be fostered by knowledge based institutions and public authorities.

The North Sea Region has a world-class knowledge and research base and a globally competitive business base. The Region also benefits from a strong institutional base that supports the development and introduction of new and improved products and processes. Together these have made the North Sea Region one of, if not the, most innovative economies in Europe.

The Region's strengths can be found both in leading technology areas, such as ICT, Life Sciences, environmental technologies and so-called competence areas, where different technologies are applied to task-orientated activities, such as our strengths in natural resource exploitation, logistics and the energy sectors.

But we cannot be complacent. Over the next decade, regions in the North Sea area will increasingly need to focus on matching global competition in order to create or maintain sustainable economies. This will only be achieved by creating, at the regional level, the conditions and the structures, which will enable companies to think strategically about the future, grasp new opportunities and manage change more effectively than elsewhere. The public sector can play a crucial role in acting as a facilitator for business-led innovation. The aim is to engage business, researchers and public administrations in the shared task of promoting our innovation performance.

Equally, our strengths are not evenly distributed. There are many parts of the Region where levels of innovation are below average, contributing to disparities in wealth and well-being. Some sectors perform better than others and there is room for improvement in both the public and the private-sectors. The urban areas of the North Sea Region are engines for innovation. They provide the best conditions for implementing the triple helix approach<sup>6</sup>. We need to capitalise on these assets whilst also using them in ways that extend the benefits to improve levels of innovation smaller towns and our rural areas.

Innovation does not just apply to high-technology sectors. It is equally important that our industries are encouraged to evolve and develop to ensure that they can continue to compete in a globally competitive environment. Similarly innovation in the service sector

---

<sup>6</sup> In an innovation system the interaction takes place between three kinds of actors – from business, public administration and the research community.



– from tourism through to business services - is also important for the future development of the North Sea Region. In each case the key is the creation of higher value added activities in order to generate more and better-paid jobs across the economy as a whole.

Consequently we are seeking to encourage the application and commercialisation of new ideas<sup>7</sup> through transnational cooperation, connecting people, organisations, regions and sectors. This priority will create the opportunity to develop, support and nurture our strengths and help to deliver the European policy priorities in this field, all of which require a clear and tangible transnational dimension. The principle European goals that this Priority contributes to are:

- Promoting innovation and entrepreneurship in SMEs and our knowledge base
- Supporting the development of higher value added activities in identified sectors
- Increasing and improving levels of investment in R&D, particularly through encouraging greater levels of business investment
- Promoting the adoption of ICT technology in the form of new products and processes

To achieve these goals we need to improve the environment for innovation across the North Sea Region, we also need to strengthen the practical linkages between firms and between firms and research centres, such as those in universities. Finally we need to facilitate the uptake of ICT-led opportunities by firms.

In developing projects under this priority, it is of great importance to consider other European programme and initiatives, such as the 7<sup>th</sup> RTD Framework Programme, the Competitiveness and Innovation Framework Programme - particularly the Entrepreneurship and Innovation Programme - as well as the JEREMIE Instrument (Joint European Resources for Micro and Medium Enterprises). Projects will also need to demonstrate how they add value to activities being undertaken through the Competitiveness strands of the Structural Funds. Project activities should be clearly linked to regional development, and not merely focused on networking within a specific sector, for which the interregional strands of the Territorial Cooperation Objective might be more relevant. In delivering this Priority particular consideration will also be given to ensuring compliance with the State Aids Regulations.

#### **4.1.2 Aim of the Priority**

To promote transnational co-operation activities that will strengthen the North Sea Region's capacity for innovation.

#### **4.1.3 Objectives**

- To encourage the introduction and development of new and improved products and processes within the Region's businesses and services.

---

<sup>7</sup> These might be new to the sector or to the NUTS II region involved. It should be more than just new to a particular business.

- To stimulate innovation within identified clusters and research and innovation networks
- Creating the right conditions for an innovation orientated environment.
- To encourage the adoption and use of ICT applications across the North Sea Region

#### **4.1.4 Areas of intervention**

##### **4.1.4 .1 Building the innovation-capacity of businesses and services**

We aim to encourage the Region's businesses to continuously improve their competitive position through ongoing innovation. To do so we need to raise the sights of our business leaders and to encourage them to compete with the best. This involves taking advantage of the combined strengths offered by the North Sea Region as a whole and exploiting the critical mass that this offers through working together towards common goals. This will have particular benefits in those sectors where the North Sea Region forms a natural area for collaboration and cooperation due to its particular set of research and business strengths.

Particular attention may need to be paid to encouraging innovation in those areas which are currently underperforming, where transnational cooperation actions can add value to existing strategies and interventions. It is crucial that innovation support should be aimed at encouraging, and equipping, firms to operate in export markets in order to ensure that levels of displacement are minimised.

The Priority aims to enhance the capacity of firms to engage in innovation. Inter alia, this may entail increasing the knowledge of those in the firm of new developments in their field, raising the skills and experience of workers to introduce new ideas or in finding solutions to other constraints facing firms. As part of this, access to finance of SMEs and links of measures to other funding sources are a vital prerequisite to engage in innovation.

The North Sea Region has a wealth of experience in promoting innovation behaviour and this Priority seeks to capitalise on this through transnational cooperation.

Co-operation activities will be considered that, for example:

- Promote the innovation capacity of SMEs in emerging sectors;
- Improve the capacity and knowledge base of SMEs to engage in innovation;
- Support the development of intermediary bodies focused on building the capacity of SMEs to engage in innovation;
- Support joint efforts to develop new products and processes;
- Promote efforts to improve the access to finance of SMEs engaged in innovation;
- Support the exchange of staff and good practice between organisations to benefit innovation activities of constituent SMEs and other businesses;
- Promote initiatives of transnational knowledge transfer.

#### **4.1.4 .2 Building the transnational dimension of clusters and research and innovation networks**

The Priority aims to build on the acknowledged strengths of the North Sea Region and create opportunities to stimulate SME's, research institutions and public administrations to work together on a transnational basis. In doing so it will stimulate the overall capacity of the North Sea Region to develop and commercialise globally-competitive products, leading to economic growth and more and better jobs.

The Programme will build on existing clusters<sup>8</sup> and sectors (e.g. those identified in the Analysis) of activity and strengthen these by introducing a transnational dimension. The programme seeks to build connections between clusters across national borders in order to develop the capacity for growth and employment across the North Sea Region as a whole. Doing this the programme will not only cater for better performance of the (existing) leading clusters but may also nourish promising bottom-up initiatives.

It will also seek to develop research and innovation networks<sup>9</sup> outside of clusters of activity in order to stimulate the commercialisation of the Region's knowledge base and encourage the development of new employment opportunities. A particular priority is to strengthen the links between research bodies and commercial companies in order to commercialise existing knowledge or to develop new ideas that might be exploited through national and European research programmes.. By securing transnational cooperation we will build the overall capacity of the North Sea Region in this regard through effectively increasing the 'critical mass' of available skills and experience.

Co-operation activities will be considered that, for example:

- Encourage transnational partnerships within and between clusters;
- Strengthen and promote transnational co-operation between universities, research institutes and SMEs, located across the North Sea Region, concerning comparable research and development interests;
- Interconnect clusters to new sources of knowledge and ideas on a transnational level;
- Stimulate the exchange of knowledge between businesses and universities;
- Facilitate the development of joint collaborations between the research base and businesses;
- Build strategic links between urban areas and urban-rural areas in order to strengthen the combined transnational innovation potential.

---

<sup>8</sup> A cluster is regarded as a geographic concentration of interconnected businesses, suppliers, and associated institutions in a particular field.

<sup>9</sup> Networks are structures consisting of nodes which are generally individuals or organizations. A network indicates the ways in which these are connected. Networks tend to have fewer interdependencies than clusters and do not need to be geographically proximate.

#### **4.1.4 .3 Strengthening the capacity of institutions and society for innovation**

Institutional capacity is an important component of overall innovation performance, as the notions of systems of innovation recognise. Similarly, a society that is conducive to innovation will stimulate better business performance and more and better jobs. Whilst there has been much attention focused on national and regional innovation systems, we are seeking to encourage the notion of a transnational innovation system for the North Sea Region.

The role of local and regional institutions is crucial in influencing the climate for innovation; they can foster, or become, key nodes in innovation networks. They also determine whether public policies support, or hinder, innovation activity. Their decisions can influence what receives support and what is overlooked. As part of this Priority we are seeking to encourage the development of institutional capacity for innovation, particularly the skills and experience at a regional level. At this level techniques such as ‘foresight’ planning<sup>10</sup> could be used to create a shared long-term vision to inform decision-making for the regions of the NSR. ‘Foresight’ planning could form the basis of a strategic action plan based on a common vision.

There is scope to co-ordinate the differing approaches to innovation policies and strategies at national and regional levels throughout the NSR. Building on existing good practice in Regional Innovation Strategies is encouraged, e.g. from the EU’s Innovative Actions programme (RIS, RIS+, and RITTS). There is much to be learned regarding the different approaches used throughout Europe and the North Sea region, particularly when successes lead to the implementation of concrete actions. Projects should, where appropriate, refer to activities under these strategies and provide synergies through, for example, transnational knowledge transfer vehicles such as networks or clusters.

Sharing knowledge and experience between innovation intermediaries and policy makers can also play a valuable role in stimulating the capacity to nurture an innovation-rich economy. In pursuit of this goal the priority will support staff exchanges, twinning arrangements and other knowledge-sharing initiatives that result in tangible policy outcomes.

---

<sup>10</sup> Foresight is a process initiated systematically attempting to look into the longer-term future of science, technology, the economy and society with the aim of identifying the emerging generic technologies likely to yield the greatest economic and social benefits. A series of well-planned, clearly defined Foresight-type projects that together straddle the North Sea Region could contribute significantly to the creation of such benefits. The Foresight process is inclusive and well structured as it draws extensively on stakeholder experience and on expert knowledge when shaping the strategy for future activities. This should lead to concrete outputs such as action and investment plans.

Co-operation activities will be considered that, for example:

- Create knowledge networks across boundaries linking institutions among the North Sea Region;
- Development of shared institutional resources to expand the available talent base (ie developing shared specialisations);
- Development of staff exchange programmes and lifelong learning;
- Development of transnational Foresight and Intelligence initiatives;
- Testing new approaches to innovation policy.

#### **4.1.4 .4 Promoting the adoption and use of ICT applications**

The use and adoption of ICT is acknowledged as crucial to productivity growth. Yet our performance in this regard lags behind the best, with some exceptions. There are great opportunities for the North Sea Region to drive forward in this area and the Programme seeks to capitalise on these. Promoting an 'Information Society' will not only have benefits in terms of raising our productivity but can also deliver significant social benefits through promoting new mechanisms for service delivery in more remote areas.

Take-up of ICT provision depends upon awareness of the opportunities available, the benefits that this might bring and confidence in the technology available as well the availability of the technology and the skills to use it. The public sector can play an important role in stimulating the adoption of ICT in business through supportive actions in all these areas. Equally, it can act as a 'leader' through the deployment of e-government applications.

It is anticipated that the Priority will support transnational actions designed to stimulate e-business activities by SMEs, strengthen the e-commerce sector in the North Sea Region and encourage innovations in e-working. It will also encourage the continued adoption of e-governance applications in the public sector, including considerations such as e-health and the use of ICTs to promote economic and social inclusion. Actions in this area should complement and add value to national and European strategies, particularly supporting the goals of the i2010 programme. Actions that stimulate the roll-out of new high capacity internet provision will also be considered where transnational cooperation benefits can be identified. When it comes to development of ICT infrastructure North Sea Region projects should take complementarities and synergies with regional programmes covering this issue into consideration.

Co-operation activities will be considered that, for example:

- Stimulate the use of ICT in production and distribution processes;
- Stimulate the greater engagement of SMEs in e-commerce and e-business solutions;

- Stimulate the role of e-government to facilitate the transition to a knowledge economy;
- Promote the roll-out of high capacity internet provision;
- Stimulate the use of e-services and e-commerce.

#### **4.1.4.5 Strategic project example:**

##### *Northern Cluster Development Strategy*

It is proposed to link and develop a network of transnational clusters of regions of innovation and business sectors in the NSR and possibly neighbouring macro-regions and to build up strong, multinational partnerships among actors from these regions. Through linking knowledge centres in networks of public authorities, research institutions and businesses, the implementation of cluster strategies by way of exchange of know-how and expertise and the set-up of joint tools for business cluster development should result in improved connections in the value and innovation chain in economic sectors in driving technologies and leading-edge business areas such as sustainable energy, water management or sensor technology, amongst others. Co-operation in areas including financial, organisational, legal and administrative support elements should lead to concrete benefits for businesses and regions regarding the transfer of innovations that improves the absorption capacity of innovations by small and medium-sized enterprises. It should also explore opportunities of the creation of a common identity of regions, i.e. with regards to product and technology branding.

## 4.1.5

### Indicative Priority Targets Priority 1

Objective: To increase the overall level of innovation taking place across the NSR

Output indicator [2]						Baseline	Target [3]	Source of Information
Type of indicator	Area of intervention	1. Building the innovation capacity of businesses and services	2. Building the transnational dimension of clusters and research and innovation networks	3. Strengthening the capacity of institutions and society for innovation	4. Promoting the adoption and use of ICT applications			
	Target groups [1]	SMEs, emerging sectors of business	business clusters, research institutes, universities, public support agencies in urban and rural areas, workers	institutions, business	public authorities, business, service providers, citizens			
Core activities		Number of new / improved transnational <b>networks</b> , alliances, collaborations				0	77 [4]	activity report
		Number of new / improved knowledge bases, technology transfer centres & platforms						
		Number of new / improved demonstration and pilot schemes						
					Number of awareness raising activities on ICT applications			
					Number of e-Government services			
			Number of transnational training and exchange programmes developed				0	75
		Number of initiatives that provide or help find investment resources					[5]	activity / final report
Raising awareness of project results		Number of transnational dissemination outputs (e.g. exhibitions, published material, websites, TV and radio appearances)					[5]	activity report
Strengthening transnational co-operation		Number of project partnerships				0	11	activity report
		Number of partners involved in projects					110	
		Number of project administration outputs: transnational partner management meetings					33	
		Number of project administration outputs: shared IT systems					11	
Value for money [6]		% of total project resources spent on Dissemination and Publicity outputs				5	> 5	activity report
		% of total project resources spent on Material Investment outputs [7]				29	< 29	
		% of total project resources spent on Transnational Administration and Partnership Building outputs				48	< 48	

Result indicator [5]						Baseline	Target	Source of Information	
Type of indicator	Area of intervention	1. Building the innovation capacity of businesses and services	2. Building the transnational dimension of clusters and research and innovation networks	3. Strengthening the capacity of institutions and society for innovation	4. Promoting the adoption and use of ICT applications				
	Target groups [1]	SMEs, emerging sectors of business	business clusters, research institutes, universities, public support agencies in urban and rural areas, workers	institutions, business	public authorities, business, service providers, citizens				
Core activities		Number of tools for transnational technology transfer adopted for RTD exchanges within and between clusters and target groups				0	11	activity report	
		Amount (€) of private and public investment in RTD				0	[5]	activity report	
					Number of people in the NSR reached by specific awareness raising activities	0	41,000	activity report	
					Number of people in the NSR provided access to new / improved e-government services	0	> 60,000 per project [5]	activity report	
			Number of individuals (male / female) trained or participated in exchange schemes				0	450	activity report
			Amount (€) of complementary financing secured (additional to approved project budget)				0	[5]	activity / final report
Raising awareness of project results		Individuals within and outside the NSR with greater awareness of project outputs				0	317,000	activity report	
Strengthening transnational co-operation		Number of organisations involved in projects (contributing to a project activity)				0	1,700	activity report	
		Number of individuals (male / female) involved in projects (contributing to a project activity)					8,200		
Value for money [6]		Average number of people benefitted by each € 1,000 spent (cost effectiveness)				2,6	> 2,6	activity report	

[1] Target groups are defined for each area of intervention. The combination of the target groups addressed by individual projects and impacted through their outputs and results will be determined by the project activities and monitored through the activity reports, and the programme targets related to target groups adjusted accordingly. (see also Appendix 4.1: Target Groups)

[2] See Appendix 4.1: Output indicators

[3] See Appendix 4.1: Baselines and Targets

[4] Targets assigned to more than one indicator (i.e. certain types of activities) are accumulated, since their mix adding up to the total number is determined as funds are allocated. These targets will be monitored in relation to the output or result, based on information from activity reports. They will be adjusted and reported on annually. (see also Appendix 4.1)

[5] The output or result cannot be determined until the bulk of funds have been allocated and reliable information from activity reports gathered. For these reasons, not quantified indicators (without targets) will be monitored throughout the programme implementation period and targets for outputs and results will be quantified, reviewed and adjusted as funds are allocated. They will be refined annually and reported on in the annual reports. (see also Appendix 4.1)

[6] See Appendix 4.1: Value for Money

[7] Investments are defined as any material expenditure that incurs as part of an output and that contributes to increased productivity of future action, and that does not fall under other budget lines (e.g. administration costs).

## **4.2 PRIORITY 2 PROMOTING THE SUSTAINABLE MANAGEMENT OF OUR ENVIRONMENT**

### **4.2.1 Rationale**

Environmental sustainability is a vital pre-condition for the competitiveness of the North Sea Region and is a core goal of national and European policies. As stated in the Lisbon strategy and Gothenburg agenda, it is important that future economic development goes hand-in-hand with environmentally responsible practices. The North Sea Region deservedly has a reputation for high environmental standards and maintaining and enhancing these standards, whilst stimulating the provision of more and better-paid jobs, requires decisive action at a transnational level.

One of the areas where these pressures are being felt most strongly is in the many competing uses for our land and sea areas. The coastline is an area where this competition is most acute and a common challenge is how to find positive solutions where social, economic and environmental development pressures come into conflict. The potential of Integrated Coastal Zone Management to offer such positive solutions has been explored in several parts of the North Sea Region but progress remains patchy and is too often focused on the landward area of the coastline and fails to tackle the seaward elements of coastal zone management. This Priority is intended to expand and enhance the development of ICZM strategies, but also to encourage the development of transnational strategies where appropriate.

The maritime environment is a central feature of the North Sea Region. Yet it is under extensive pressure. The North Sea, Skagerrak and Kattegat, are all subject to widespread commercial and leisure uses. Amongst other things, they are criss-crossed by substantial maritime traffic corridors, are crossed by oil, gas, electricity and communications network infrastructures, are the centre of fishing and mineral extractive industries, and are the location of wind and wave power schemes. The risks of accidents, and the damaging effects of this on the marine eco-system and associated economic uses, including tourism, are well known. Actions to prevent marine pollution, and response measures should those preventative measures not succeed, are an area of common transnational concern. Consequently this programme seeks to support transnational cooperation efforts in developing effective preventive and response measures to tackle the risks of marine pollution.

The North Sea Region is affected by the effects of climate change. It is now acknowledged that an increase in sea levels will accompany climate change, as will an increased incidence of storms and severe weather events. The effect of these events on the North Sea Region is likely to be an increased risk of coastal and watershed flooding, with adverse social and economic consequences in the affected areas, as well as profound environmental effects. This Priority seeks to develop transnational cooperation actions to tackle these common challenges across the North Sea Region in order to mitigate and ameliorate the anticipated social and economic consequences of climate change. It is anticipated that actions will build on the expertise and knowledge in fields



where the North Sea Region has a strong expertise, such the management of coastal zones and inland water areas.

Finally, this Priority recognises the unique position that the North Sea Region occupies in the Europe Union in terms of its rich energy resources. This forms a strong common bond between the regions in the Programme area, from shared skills and expertise in the gas and oil extracting industries, through to physical connections such as the gas-connectors between Norway and the UK and the Netherlands and the UK. The Region also shares a strong heritage in the development of renewable energy sources, with firms in the North Sea Region proving to be global leaders in the field of wind power. Hydro-electric, wave and tidal power all offer rich potential, and are tapped to varying degrees. This Priority seeks to build upon this rich endowment and to exploit the potential it offers, both in terms of the environmental benefits of low-carbon energy production, but also the economic advantages of prowess in energy-related technologies.

The programme focuses on transnational aspects. On the level of co-operation activities some of the issues raised in this priority might also relate to interregional aspects. Activities need to distinguish between these aspects to clearly meet the transnational aspects of this priority.

The activities supported under this Priority may assist the North Sea countries to fulfil their obligations under international conventions, EU directives (especially Water Framework Directive, Natura 2000) and the EU Maritime Safety Package where the added value of transnational cooperation can be demonstrated.

#### **4.2.2 Aim of the priority**

To promote transnational actions for the sustainable management of the common environmental resources of the North Sea Region, both to maintain and enhance the quality of the environment for the benefit of future generations and to secure associated social and economic benefits.

#### **4.2.3 Objectives of the priority**

- Sustainable development of the coastal land and sea areas through integrated coastal zone management;
- Developing preventative and response measures to address marine acute and chronic pollution;
- Adapting to and reducing risks posed to society and nature by a changed climate;
- Promoting environmentally-responsible energy production practices.

## **4.2.4 Areas of Intervention**

### **4.2.4 .1 Sustainable development of the coastal land and sea areas through integrated coastal zone management**

The coastal areas of the North Sea lie at the heart of economic and social life throughout the Programme area. Managing the complex and competing uses present in these areas is a common concern across the whole of the North Sea Region. Following the EU's recommendation on implementation of ICZM the countries around the North Sea have gained experience and developed different approaches to implement the management of the coastal zone. This Priority seeks to further extend and develop that approach through transnational cooperation. In particular this includes ensuring that the concept extends to include the seaward dimensions of the coastal zone as well as the inland areas (e.g. wetlands, rivers) traditionally included.

Cross-sectoral and integrated coastal and marine management is increasingly required in view of the growing number of uses taking place in these areas. The aim of addressing issues arising from cumulative and potentially conflicting uses of the sea is to create a balance between sustained economic viability and improved environmental and social conditions. This calls for a strategic approach in order to manage the environment and help avoid or reduce conflict; to identify and permit appropriate, compatible and sustainable development; and to protect and enhance important environmental and social and economic assets from inappropriate development.

An account should be also taken to the need for developing methods for pro-active community involvement in coastal management. Such initiatives will also have a significant impact in promoting management practices in the region in areas with fragmented and sectoral policies. Activities in the area of integrated coastal zone management should therefore also be developed in coordination with these EU initiatives aiming at furthering a sustainable management and economic viability of coastal and marine areas.

Transnational co-operation activities will be considered that, for example:

- capitalise on experiences developed by promoting integrated and coherent approaches to manage the coastal and marine areas, including management of wetlands, lakes, rivers, small islands, estuarine areas and other coastal and marine ecosystems;
- in line with the marine strategy directive and the green paper on a future maritime policy, develop a common marine spatial planning concept for the North Sea encompassing coordination of multinational/ regional plans across borders in order to provide sustainable management of coastal zones and marine resources, including risk prevention and environmental protection activities; this may entail

activities of data co-ordination and, where appropriate, collection, without overlapping with existing data sources (e.g. EEA);

- investigate the possible complementarity of the actions with other financing sources (e.g. the EEF) and with the opportunities arising from public-private partnerships and attracting investment.

#### **4.2.4 .2 Developing preventative and responsive measures to address acute and chronic marine pollution**

The North Sea has both an environmental and an economic value, as well as being a strong cultural resource of the Region. Each of these functions are adversely affected by marine pollution. Maintaining biodiversity and enhancing the quality of the North Sea as a resource, by addressing marine pollution, is essential if we are to continue to prosper. A common, transnational, and integrated approach is required owing to the complexity of the issue. The efforts of a single country are rarely sufficient to offset adverse impacts; instead transnational efforts are required if they are to be effective. Equally, pollution incidents can have significant impacts across many different sectors, owing to their interdependency on a common resource. Arrangements and activities for concerted assistance between North Sea countries are already in place – as e.g. the Dutch-Danish-German DengerNeth-Plan, the Danish-Swedish SweDenger-Plan, the Dutch-German towage agreement WAKER – as well as the work of international expert-groups – as e.g. the Bonn-agreement working group for the North Sea - should be taken into consideration.

This Priority seeks to prepare the institutional structures to manage chronic and acute marine pollution, to establish adequate mitigation and control measures, promote innovative technology and working methods, involve stakeholders, and identify demonstration pilots for transnational knowledge and technology transfer. It will develop frameworks for co-operation and response, and facilitate the conditions for exchange of best practice. Areas for co-operation may include cross-border contingency planning for marine pollution at sea and in coastal regions, or response to maritime accidents corresponding to the third maritime safety package of the EU. Activities should contribute to bind in and make links to local and regional levels – including port authorities – in terms of decision making and information-flows with national and European administrations and/or institutions.

Transnational co-operation activities will be considered that, for example:

- establish joint transnational contingency planning for marine pollution at sea and in coastal regions;
- establish commonly accepted principles for management systems, to encourage the prevention and control of major accident hazards, and limit the consequences, should accidents unavoidably occur;
- adopt responsible measures to mitigating and preventing technological hazards, including the identification of training needs of land personnel (e.g. operators), ship

crews and responders and the subsequent provision of appropriate training and skills improvement schemes;

- promote innovative technologies and working methods to safeguard biodiversity and address causes of chronic sea pollution, for example through the promotion of the “Clean Ship Approach”;
- identify and implement demonstration pilots addressing the issues stated above.

#### **4.2.4 .3 Adapting to and reducing risks posed to society and nature by a changing climate**

In the North Sea Region a number of threats related to a changing climate pose challenges to our lifestyles and livelihoods. These include an increased occurrence and severity of winter storms, storm surges and flood hazards. The potential social, economic and environmental costs of these incidences are increasingly well-documented. The North Sea Region presents some good examples in alleviating the impacts from a changed climate, such as the implementation of forward-looking risk management practices and concepts such as storm resistant coastal landscapes or flood contingency frameworks.

This Priority supports transnational cooperation actions that seek to apply and enhance our knowledge in this area. The development and implementation of comprehensive regional management plans involving multiple institutions and stakeholders and fields of action such as nature protection, civil protection and security policy is one example of an important area of action.

Transnational co-operation activities will be considered that, for example:

- Strengthen the resilience of the regions and communities and create a safer environment;
- Broaden the implementation of the “living with water” concept, which promotes a re-conciliating way of addressing threats from water to society, by investigating into storm resistant coastal landscapes and setting up common flood contingency frameworks;
- Develop and implementing transnational management plans involving multiple institutions and stakeholders in fields of action such as nature protection, civil protection and security policy.

#### **4.2.4 .4 Promoting environmentally-responsible energy production practices.**

Our economy remains highly energy-dependent, despite positive efforts to improve energy-efficiency. Yet our traditional sources of energy are diminishing, our concerns regarding related emissions of carbon dioxide are increasing and global demand for energy shows no sign of lessening. The North Sea Region has been a major provider of energy, particularly from oil and gas deposits found and developed in the North Sea, and

may continue to be so. New technologies extend the commercial life of fossil fuel deposits and the potential offered by the extensive renewable energy resources of the North Sea Region (particularly hydro, wind, solar, wave and tidal sources) are beginning to be realised. Firms and research organisations in the North Sea Region have developed a global reputation for the quality of their activity in the energy sectors and there are opportunities to enhance this reputation through further technological development.

This Priority is intended to build on the acknowledged strengths of the Region and to equip it for the future. It is intended to address the need for access to a wide range of energy sources and technologies and a robust infrastructure to bring the energy to where we want to use it in the form that we need it. It intends to promote the development of responsible energy production practices through transnational cooperation. Among other things, this may be in the form of technological developments, strategic impact assessment, foresight exercises, knowledge sharing actions, formal cooperation and collaboration agreements, feasibility studies and investment actions.

Through transnational cooperation we can promote responsible energy practices, helping to move our economy towards a low-carbon future and managing the emergent tensions in the exploitation of new energy technologies. Actions in this area are also expected to stimulate the competitiveness of domestic firms by encouraging innovation in the use and application of energy-related technologies, whether this be related to wind-power, offshore or sub-sea engineering or some other aspect of the sector. The skills and competencies developed will equip our firms well to compete at the global level.

Transnationality co-operation activities will be considered that, for example:

- Realise and create framework conditions (e.g. legal, administrative, business support, stakeholder networks, opportunities for technology transfer, political commitment) for large-scale uptake of renewable energy sources;
- Encourage the diversification of energy resources by widening of the range of energy technology and the carbon emission-reduction technology deployed in the North Sea Region;
- Provide institutional support for optimisation of delivery systems and create functioning market conditions;
- Facilitating the pre-conditions for network/ knowledge exchange into development of new technologies and development of knowledge based clusters e.g. related to carbon capture;
- Share experience and good practice in integrating energy concerns into territorial development, exploit the energy production opportunities of resources (e.g. estuary resources) and investigate the related environmental impacts.

#### **4.2.4.5 Strategic project example:**

##### *North Sea Region Maritime Safety Governance*

It is proposed that a strategic project on maritime safety is to create a transnational co-operation platform on this issue and a common safety regime giving strategic support to national or regional solutions in the NSR, utilising lessons and results from previous work, such as MSUO. Joint action should be focused on more systematic and common risk management strategies and methods, including joint actions to consider; a more harmonised safety governance in the NSR in terms of common understanding, objectives, and tools for risk management; the implementation of a common maritime data management and a virtual traffic monitoring centre; a wider cross-sectoral perspective promoting innovative solutions and encouraging business opportunities. The joint strategic approach may contain elements of a common approach to marine spatial planning and management for the North Sea (building on Interreg and Irish Sea experience) and proactively support investment decisions of transnational scale (e.g. investments in energy and other supply installations, pollution mitigation measures, safety enhancement infrastructure and equipment, etc.). Such a strategic project is expected to define concrete actions for major follow-up co-operation projects to be financed from other European and national funds. Links should be established with organisations dealing with maritime safety at European and global level and environmental protection and monitoring, i.e. IMO, EMSA, EEA, IEA, OSPAR, and with relevant programmes and funds to finance further actions.

## 4.2.5

## Indicative Priority Targets Priority 2

Objective: To enhance the quality of the environment in the NSR

		Output indicator [2]				Baseline	Target [3]	Source of Information
Type of indicator	Area of intervention	1. Sustainable development of the coastal land and sea areas through ICZM	2. Developing preventative and responsive measures to address acute and chronic marine pollution	3. Adapting to and reducing risks posed to society and nature by a changing climate	4. Promoting environmentally-responsible energy production practices			
	Target groups [1]	national / regional / local authorities, environment and marine agencies, business		local / regional / national authorities, water management and environment agencies, citizens	business, local / regional / national authorities, energy agencies			
Core activities		Number of new / improved transnational integrated strategies				0	105 [4]	activity report
		Number of new / improved contingency plans						
		Number of new / improved common databases						
		Number of new agreements						
		Number of new transnational model approaches						
		Number of new transnational demonstration pilots and feasibility studies						
		Number of transnational networks, discussion fora, technology transfer exchange schemes						
		Number of transnational training and staff exchange programmes developed				0	100	activity report
		Number of initiatives that provide or help find investment resources				0	[5]	activity / final report
Raising awareness of project results		Number of transnational dissemination outputs (e.g. exhibitions, published material, websites, TV and radio appearances)				0	[5]	activity report
Strengthening transnational co-operation		Number of project partnerships				0	15	activity report
		Number of partners involved in projects					150	
		Number of project administration outputs: transnational partner management meetings					45	
		Number of project administration outputs: shared IT systems					15	
Value for money [6]		% of total project resources spent on Dissemination and Publicity outputs				5	> 5	activity report
		% of total project resources spent on Material Investment outputs [7]				29	< 29	
		% of total project resources spent on Transnational Administration and Partnership Building outputs				48	< 48	

		Result indicator [5]				Baseline	Target	Source of Information	
Type of indicator	Area of intervention	1. Sustainable development of the coastal land and sea areas through ICZM	2. Developing preventative and responsive measures to address acute and chronic marine pollution	3. Adapting to and reducing risks posed to society and nature by a changing climate	4. Promoting environmentally-responsible energy production practices				
	Target groups [1]	national / regional / local authorities, environment and marine agencies, business		local / regional / national authorities, water management and environment agencies, citizens	business, local / regional / national authorities, energy agencies				
Core activities		Ha of land / sea area subject to transnational management tools, action plans, agreements, common databases, model approaches and pilots, risk prevention and management schemes				0	100,000 [4]	activity report	
		km of coastline subject to transnational management tools, action plans, agreements, common databases, model approaches and pilots, risk prevention and management schemes					10,000		
		Number of people (male / female) in the NSR covered by one of above results					220,000		
			Number of new technologies / pilots to reduce pollution and manage risks transferred transnationally and implemented			0	[5]	activity report	
			Number of organisations in target groups in the NSR reached by project activities				0	2,500	activity report
			Number of individuals (male / female) trained or participated in exchange schemes				0	620	activity report
			Amount (€) of complementary financing secured (additional to approved project budget)				0		activity report
					km of clean and renewable energy infrastructure provided	0	[5]	activity report	
					Increased supply of clean and renewable energy (kilogramme of oil equivalent)				
Raising awareness of project results		Individuals (male / female) within and outside the NSR with greater awareness of project outputs				0	430,000	activity report	
Strengthening transnational co-operation		Number of organisations involved in projects (contributing to a project activity)				0	2,300	activity report	
		Number of individuals (male / female) involved in projects (contributing to a project activity)				0	11,200		
Value for money [6]		Average number of people benefitted by each € 1,000 spent (cost effectiveness)				2,6	> 2,6	activity report	

[1] Target groups are defined for each area of intervention. The combination of the target groups addressed by individual projects and impacted through their outputs and results will be determined by the project activities and monitored through the activity reports, and the programme targets related to target groups adjusted accordingly. (see also Appendix 4.1: Target Groups)

[2] See Appendix 4.1: Output indicators

[3] See Appendix 4.1: Baselines and Targets

[4] Targets assigned to more than one indicator (i.e. certain types of activities) are accumulated, since their mix adding up to the total number is determined as funds are allocated. These targets will be monitored in relation to the output or result, based on information from activity reports. They will be adjusted and reported on annually. (see also Appendix 4.1)

[5] The output or result cannot be determined until the bulk of funds have been allocated and reliable information from activity reports gathered. For these reasons, not quantified indicators (without targets) will be monitored throughout the programme implementation period and targets for outputs and results will be quantified, reviewed and adjusted as funds are allocated. They will be refined annually and reported on in the annual reports. (see also Appendix 4.1)

[6] See Appendix 4.1: Value for Money

[7] Investments are defined as any material expenditure that incurs as part of an output and that contributes to increased productivity of future action, and that does not fall under other budget lines (e.g. administration costs).

## **4.3 PRIORITY 3 IMPROVING THE ACCESSIBILITY OF PLACES IN THE NSR**

### **4.3.1 Rationale**

Good and sustainable accessibility is a vital precondition to support a successful economy. It enables producers to efficiently access markets for their products, encourages the diffusion of innovations and knowledge and contributes to sustainable growth, job creation and competitiveness in the North Sea Region. At the same time the growth of the transport sector in terms of the different modes of transport and the logistics sector must be managed in order to reduce the increasing social, environmental and economic costs associated with emissions pollution and congestion. Many parts of the North Sea Region are highly accessible and carry extensive movements of goods and people, acting as regional, national and international gateways. Other areas though suffer from relatively poor levels of accessibility, which constrains their social and economic development.

This Priority seeks to address these concerns in order to promote the sustainable development of the North Sea Region. In doing so it focuses on a limited range of common issues where it is believed that there is an added value to be gained from taking a transnational perspective.

Intermodal transport corridors are the backbone of the North Sea Region for the movement of goods and people. The development of new transport corridors that connect the North Sea Region to major markets, or offer alternative routes to existing but congested corridors, should also be encouraged, where they provide more efficient transport solutions and contribute to the development of the North Sea Region. Many of these transnational corridors have a strong maritime dimension. The importance of the maritime sector is evident from the central position of the North Sea itself and offers an opportunity for modal shifts in the transportation of some products to reduce the emissions associated with the alternative modes of air and road transport. Short sea shipping has a particular role to play in this regard and the development of appropriate approaches, including related port-facilities and intermodal technologies is to be encouraged.

Supporting the continuous development of the logistics sector as a whole, particularly the technologies underpinning distribution systems, is critical to improving levels of accessibility across the North Sea Region. The cost savings achieved and improved access to markets can benefit businesses across the Region, whilst local markets benefit from greater choice and competition. Developing more efficient and effective logistical processes, including intermodal technologies, also offers benefits in areas of transport congestion, through increasing the capacity of the existing infrastructure. Given the transnational dimension of much of the transport movements across the North Sea Region there is a strong transnational benefit to be gained here.

A further area where transnational cooperation is to be encouraged is in the development of secondary networks, connecting places to the national and international connections provided by primary transport networks. This is particularly the case in more remote



regions where regional air services often play an important role in connecting places to national and international gateways. Secondary networks can include rail, road, air and maritime connections. The common denominator is that in their absence the accessibility of many places is significantly less than their location may suggest, as they are adversely affected by so-called 'tunnel' effects, whereby high speed links that do not stop at places on route effectively isolate these places unless secondary connections are established.

#### **4.3.2 Aim of the priority**

To promote transnational cooperation activities that contribute to improving the accessibility of places in the North Sea Region and deliver economic and social benefits.

#### **4.3.3 Objectives**

- To promote regional accessibility strategies;
- To promote the development of multi-modal and transnational transport corridors;
- To promote the development of efficient and effective logistics solutions.

#### **4.3.4 Areas of intervention**

##### **4.3.4.1 To promote regional accessibility**

A lack of accessibility is hampering the development of many of our settlements. This is most clearly the case with remoter settlements and in areas of sparse population. However, it can also occur in more central areas where secondary networks are underdeveloped. The extra time and cost involved in accessing these areas can act as a brake on their economic development, making businesses less competitive and encouraging the out-migration of population to more accessible places.

Improving the accessibility of these places can provide opportunities to reverse the spiral of decline and provide both economic and social benefits. It is a crucial aspect of our aspiration to increase the overall competitiveness of the North Sea Region. New technologies and innovations in the transport sector provide the means to deliver the objectives of this Priority, through harnessing the potential offered by regional air services, road and rail connectivity and ICT infrastructure.

Practical transnational cooperation actions in this area are challenging. Improvements to the physical infrastructure offer the strongest benefits but at a high cost. Road investments that connect remote settlements to secondary transport networks or other hubs are often preferred, although the potential for rail connections might be explored. This will be particularly the case where strong 'border' effects are present whereby the benefits do not only accrue to a particular settlement or region but impacts can also be demonstrated in the areas to which connections are made. The role of regional airservices to connect remote areas should not be overlooked, particularly with the advent of more efficient smaller scale aircraft aimed at the regional air service market.

The Programme can support some capital investment but consideration should also be given to the role of pilot actions which provide significant demonstration effects and have a real potential for being taken forward on a substantial scale subsequently. In many cases successful practical approaches to promoting accessibility in remote areas have involved the development of novel approaches such as novel means of providing public transport service connections and using new technology solutions to promote car sharing. Novel approaches that consider the potential of new communications technologies such as satellite technologies might also be considered in this area. Transnational cooperation that generates substantial economies of scale and encourages the uptake of new technologies, for example through the procurement of receiver equipment, might be one approach to be considered.

In order to promote the accessibility of regions - in terms of physical accessibility by transport or in terms of access to information - transnational strategies, which are implementing activities to consider the above, should be developed.

Co-operation activities will be considered that, for example:

- Stimulate pilot actions with extensive demonstration effects for improved regional accessibility;
- Develop and implement transnational strategies to better finance regional accessibility in terms of transport and communication;
- Promote the uptake of new communications technologies for better accessibility among different regions.

#### **4.3.4.2 To promote the development of multi-modal transport corridors**

The efficient movement of goods and passengers depends upon well-functioning transport corridors and effective multi-modal transfer. This Priority seeks to develop this aspect of the North Sea Region in order to maintain its attractiveness as a place in which to live, work and, crucially, invest. There are three elements to this area of intervention which will promote the overall objective of increasing accessibility across the North Sea Region:

- Support of maritime transport corridors
- Support for integrated transport corridors
- Support for multimodal transfer initiatives

These three areas are linked by the common need to use transnational cooperation in order to develop corridors or to increase the effective capacity of existing corridors

The North Sea basin is an international transportation hub within Europe. There are efficient maritime corridors to be developed to implement concepts such as the Motorways of the Sea (MoS) and short sea shipping (SSS) in practice. These can reduce congestion by transferring the transport of goods from road to sea, improve the accessibility of peripheral regions and stimulate regional competitiveness. Corridor concepts may include connections to the port gateways and secondary hub networks, and promote harmonised

systems and access to data. Projects should draw on the experience and achievements gained by the Maritime Safety Umbrella Operation (MSUO) as a co-ordinating entity, and intensify co-operation in the future. Close linkages should be established to the aims and objectives of the EU Maritime Policy Green Paper, EU Maritime Strategy, the Third Maritime Safety Package and the White Paper on Transport for 2010.

Integrated transport corridors offer a means for the efficient movement of goods to market. An efficient movement along the corridor requires acceptance of common administrative and technical standards as well as potentially including initiatives that allow for differential standards of access, for example restricting access to purely local traffic. The economic benefits to the North Sea Region as a whole should be demonstrated by projects seeking to develop new transport corridors.

Inter-modal transport is the key to providing a transport system which reduces congestion and offers door-to-door delivery services. Measures are required to improve and harmonise goods handling systems in transport nodes and logistics hubs (i.e. ports, regional airports and railway stations), and to strengthen the links between and across national borders through improved interoperability. Activities in this area are likely to have strong links to developments in the logistics sector and to the corridor concepts above.

Co-operation activities should be considered that, for example:

- Develop implementation strategies for the management of transnational transport corridors and accessibility concepts, addressing common planning, technological and administrative constraints;
- Support of the Motorways of the Sea (MoS) system and the development of secondary hubs and seaports, thriving for a multi-nodal balanced mobility network including the hinterland connection and IT/infrastructure planning;
- Devise transnational models for foresight planning exercises and best practices implementations for intermodal transport concepts, i.e. « door to door » movement of goods, using two or more modes of transport, in an integrated transport chain;
- Develop systems for effective and sustainable inter-modal links, especially regarding water-borne transport (rail-sea, road-sea) and including air transport;
- Promote harmonised and easy access to data bases on maritime transport activities, meteorological data etc. and devise ways of broad application of harmonised multi-modal transport systems.

#### **4.3.4.3 To promote the development of efficient and effective logistics solutions**

Access to information is central for the effective management of complex logistical systems. This Priority will support the further development and wider application of intelligent transport systems (ITS) as part of integrated transport solutions. The intention is to assist in improving the functioning of logistics systems across the North Sea Region in order to provide social, economic and environmental benefits.

Actions that are designed to stimulate the logistics sector have the benefit of increasing the load factors on the transport network, offer the opportunity to reduce the turnaround times at key transport hubs and can improve levels of backloading (which reduces the proportion of empty return journeys). The benefits are felt directly and indirectly in terms of improved levels of competitiveness and reduced environmental impacts. It is anticipated that actions will be focused on the promotion of innovation in delivering logistics solutions which will deliver tangible benefits for regional development across the North Sea Region.

Support should aim towards the improvement of and innovations in cargo logistics systems especially in port operations, inter-modal transport interfaces, and transport monitoring systems. This could comprise the development of new logistics concepts and ICT systems, as well as new ways of implementing technologies, including organisational issues and means of reducing the transport needs. One element might be to develop and test identification and tracking systems and organisational arrangements to maximise efficiency across all transportation modes. For cargo transport, congestion costs might be addressed by the application of improved traffic management technologies and organisational measures, where ports, terminals, transporters as well as road and railway companies/authorities are joining efforts.

Co-operation activities will be considered that, for example:

- Create, share and pilot innovative solutions in transport technologies;
- Develop and improve sustainable transport logistics;
- Jointly develop transnational strategies for the preparation of investments in infrastructure and logistics at regional level, involving the competence and capacity and promoting co-operation of the private and the public sector in developing practical and innovative solutions;
- Develop technology roadmaps of common interest, by exercising transnational Technology Foresight processes and strategic product planning;
- Support the engagement of companies to identify and develop common solutions to logistical issues.

#### **4.3.4.4 Strategic project example:**

##### *Masterplan for the Motorways of the North Sea*

The co-ordination of the development of a masterplan for the Motorways of the North Sea is proposed in order to catch up with the state of development in other sea regions relevant to the NSR, including a business plan and an investment plan involving both public and private sectors. Conceivable topics include a quality label for the MoS, safety and security, transnational intermodal transport and communication systems, modernisation and innovation, information systems, hinterland connections, connections to Russia. Links should be established to the TEN-T and masterplans developed in

adjacent seas (e.g. Baltic Sea) and possible European and national funding sources, including the private sector.

### 4.3.5

## Indicative Priority Targets Priority 3

Objective: To improve the accessibility of places in the NSR

Type of indicator	Area of intervention	Output indicator [2]			Baseline	Target [3]	Source of information
		1. To promote regional accessibility strategies	2. To promote the development of multi-modal transport corridors	3. To promote the development of efficient and effective logistics solutions			
	Target groups [1]	national / regional / local authorities, transport providers, community and business representatives, transport supply chains					
Core activities		Number of transnational pilot actions			0	105 [4]	activity report
		Number of new transnational implementation strategies					
		Number of new transnational demonstration projects					
		Number of transnational knowhow exchange platforms					
		Number of transnational training and staff exchange programmes developed					
		Number of initiatives that provide or help find investment resources			0	[5]	activity / final report
Raising awareness of project results		Number of transnational dissemination outputs (e.g. exhibitions, published material, websites, TV and radio appearances)			0	[5]	activity report
Strengthening transnational co-operation		Number of project partnerships			0	15	activity report
		Number of partners involved in projects				150	
		Number of project administration outputs: transnational partner management meetings				45	
		Number of project administration outputs: shared IT systems				15	
Value for money [6]		% of total project resources spent on Dissemination and Publicity outputs			5	> 5	activity report
		% of total project resources spent on Material Investment outputs [7]			29	< 29	
		% of total project resources spent on Transnational Administration and Partnership Building outputs			48	< 48	

Type of indicator	Area of intervention	Result indicator [5]			Baseline	Target	Source of information
		1. To promote regional accessibility strategies	2. To promote the development of multi-modal transport corridors	3. To promote the development of efficient and effective logistics solutions			
	Target groups [1]	national / regional / local authorities, transport providers, community and business representatives, transport supply chains					
Core activities		Area in ha subject of transnational management tools, strategies and logistics solutions			0	[5]	activity report
		Km of transnational transport corridor and links between urban and rural areas subject of reduced travel time (time-distance minutes over 100 km) by more sustainable transport (rail, sea)					
		Number of new logistics or multi-modal technologies / pilots transferred transnationally and implemented					
		Number of technology centres and transnational databases helping transnational exchange					
		Number of individuals (male / female) trained or participated in exchange schemes					
		Amount (€) of complementary financing secured (additional to approved project budget)					
Raising awareness of project results		Individuals (male / female) within and outside the NSR with greater awareness of project outputs			0	430,000	activity report
Strengthening transnational co-operation		Number of organisations involved in projects (contributing to a project activity)			0	2300	activity report
		Number of individuals (male / female) involved in projects (contributing to a project activity)				11,200	
Value for money [6]		Average number of people benefitted by each € 1,000 spent (cost effectiveness)			2,6	> 2,6	activity report

[1] Target groups are defined for each area of intervention. The combination of the target groups addressed by individual projects and impacted through their outputs and results will be determined by the project activities and monitored through the activity reports, and the programme targets related to target groups adjusted accordingly. (see also Appendix 4.1: Target Groups)

[2] See Appendix 4.1: Output indicators

[3] See Appendix 4.1: Baselines and Targets

[4] Targets assigned to more than one indicator (i.e. certain types of activities) are accumulated, since their mix adding up to the total number is determined as funds are allocated. These targets will be monitored in relation to the output or result, based on information from activity reports. They will be adjusted and reported on annually. (see also Appendix 4.1)

[5] The output or result cannot be determined until the bulk of funds have been allocated and reliable information from activity reports gathered. For these reasons, not quantified indicators (without targets) will be monitored throughout the programme implementation period and targets for outputs and results will be quantified, reviewed and adjusted as funds are allocated. They will be refined annually and reported on in the annual reports. (see also Appendix 4.1)

[6] See Appendix 4.1: Value for Money

[7] Investments are defined as any material expenditure that incurs as part of an output and that contributes to increased productivity of future action, and that does not fall under other budget lines (e.g. administration costs).

## **4.4 PRIORITY 4 PROMOTING SUSTAINABLE AND COMPETITIVE COMMUNITIES: CREATING ATTRACTIVE PLACES TO LIVE AND WORK IN.**

### **4.4.1 Rationale**

Sustainable communities are the foundation of a successful economy. Markets, services and living spaces that our villages, towns and cities provide need to be sustained to secure a viable future for the North Sea Region. The purpose of this priority is to support the development of dynamic and successful communities in all parts of the region, through enhancing the strengths of urban and rural areas and their mutual links, thus making places more attractive spaces in which to live, work and invest. This requires investing in their future and ensuring that they are places, which are environmentally, socially and economically sustainable. Above all they should offer a high quality of life based on their specific qualities of cultural and natural heritage and the built environment.

Many parts of the North Sea Region are experiencing significant structural economic and social changes. In some cases this relates to the pressures of declining viability and vitality where out-migration exacerbates the problems of low birth rates and a destructive spiral of decline develops. Fewer jobs, lower rates of pay, limited amenities and a lack of services encourages those that have the means to leave a community in order to seek opportunities elsewhere. Breaking this spiral is essential if we are to have sustainable development patterns in the future. Yet the opportunity is there, new technologies, higher value smaller businesses, often based on exploiting quality natural resources, and a new appreciation of the benefits of small communities provide the seeds for success. Our experience demonstrates that radical and innovative solutions are required and that positive action is needed, as the trends are deeply entrenched and hard to change. Transnational cooperation in determining - and sharing - effective approaches is a crucial factor in achieving our goals here.

On the other side, many of our larger urban centres, and some that are smaller or are more rural too, are feeling the pressures of growth, particularly in the integration of an in-migrating labour force, but also in terms of competing land-uses. Again there is a value in transnational cooperating in developing joint actions on how to deal with these pressures. Without tackling these challenges the growth trajectories that we desire in order to sustain more and better-paid jobs will be choked off by increasing levels of negative external effects, impeding our efforts to attract and retain the best workers and the best companies. Rather than reacting to problems as they arise we seek to develop notions of sustainable growth. We strive to attract the best and to develop competitive advantage in stimulating sustainable and knowledge-based economies. We believe that there is merit in launching this at a transnational level, both because of the signal it sends to eligible regions but also because our goals will thus have visibility, which will ensure greater success.

A third challenge facing both our urban and rural areas is that of demographic change. This will have fundamental effect on our urban and rural areas and the implications of this

require consideration now. It has implications for service delivery and for transport and land-use patterns in the future. The development of new technologies and products may offer some solutions others will require policy and strategy actions. Demographic change is both an opportunity for economic and social development as well as a challenge though. One of the challenges is the out-migration of young people from some areas. The higher proportion of retired persons may also offer new life to some of our more remote, but highly attractive living spaces. Transnational co-operation offers the unique opportunity to consider these challenges at a macro-regional scale and tackle the described problems that are mutually affecting the North Sea regions. We need to base our solutions on the pooling of competences and the complementary functions of the individual regions. We thus see transnational cooperation as a crucial mechanism for developing, launching and implementing new approaches in this area and context, always with an eye on the tangible benefits that this will deliver.

Finally, we aim to encourage towns and regions to reduce their ecological footprint through the adoption of energy-efficient practices. This may be through encouraging more environmentally sustainable building practices, particularly with regard to energy consumption.

This priority supports actions that address these issues by applying an integrated regional perspective based on the specific assets of territories with a view to the distinct opportunities and challenges of places and the links between them. By this we aim to encourage a holistic territorial approach as the framework for action. We seek to provide favourable conditions in the regions to build up their capacity for innovation, individually but with a transnational perspective, and to accommodate sustainable growth and more and better jobs. Work at the European level has stressed the importance of improving the knowledge and skills available to deliver more sustainable communities and this priority seeks to address that challenge through transnational cooperation activities.

This requires efforts to identify and involve key stakeholders in the North Sea Region in order for the actions financed to deliver concrete results and lasting impact.

In developing projects under this priority it is important to establish links to other European Programmes and initiatives such as the Bristol Accord, the 6<sup>th</sup> Environmental Action Programme, Urbact, rural development programmes, the Territorial Agenda and Objective 2 programmes.

#### **4.4.2 Aim of the Priority**

Transnational cooperation to promote attractive and viable communities which help to strengthen the competitiveness of the North Sea Region and contribute to its balanced sustainable development.



#### **4.4.3 Objectives:**

- To secure solutions to the needs of areas in decline to ensure that they contribute to the economic and social wealth of the North Sea Region
- To promote and manage sustainable growth in expanding areas in order that they achieve their full economic and social potential
- To implement energy-efficient solutions for settlements

#### **4.4.4 Areas of intervention**

##### **4.4.4.1 Tackling the needs of areas in decline**

Parts of the North Sea Region are characterised by urban and rural settlements that are suffering from economic and population decline, especially the out-migration of young people, and effects of demographic change such as an ageing population. This is leading to an imbalance in the territorial structure of the affected areas, and contributes to the problems of urban expansion elsewhere in the Region. Experience from some parts of the Region demonstrates that these trends are not inevitable and that more remote settlements can be viable and vibrant centres offering sustainable living conditions and a good quality of life. A challenge here is the (re)integration of unemployed people.

The aim of this Priority is to explore different approaches to enhance the viability and vitality of these areas. Interventions in this area will promote transnational cooperation as a means of sharing experience and exploring solutions as well as to produce tangible results. Opportunities may include new approaches to economic development, solutions built upon new technologies for economic activity or new ways of delivering services and amenities. Actions that improve and maintain access to and extend high-quality services such as higher education, finance, health care and cultural facilities are to be considered. Equally, concepts of sustainable tourism can be a driver for economic diversification and growth. It is anticipated that projects might seek means of developing practical linkages between places as part of an integrated development strategy.

Transnational cooperation activities will be considered that, for example:

- Develop and implement pilot actions tackling issues related to new approaches to service delivery (including economic, business, welfare and other amenities);
- Develop actions revitalising declining towns and cities in response to demographic trends;
- Develop sustainable tourism concepts to utilise the cultural assets, natural and the built environment;
- Develop and implement pilot actions tackling opportunities and challenges for economic restructuring, particularly in the fields of health, care and leisure/tourism or social and labour market stabilisation (i.e. (re)integration of unemployed);
- Build links between rural and urban areas in order to utilise the combined economic potential and strengthen regional integration.

#### **4.4.4.2 Promoting sustainable growth solutions for expanding areas**

Attractive places in which people want to live, work and invest are crucial for the long-term success of an economy. This includes the preservation of cultural heritage, the more so in the knowledge-based economy where global talent can choose where to locate. For the North Sea Region to deliver its full potential it must offer attractive places with a good quality of life and a vibrant sense of community. Without this it will find it difficult to attract or even just to retain its population.

However, the priority builds on the recognition of the crucial importance of larger urban centres and metropolitan areas as motors for economic progress, catalysts for innovation and centres of excellence with the potential to influence other less-dynamic regions.

But in spite of these strengths, many urban areas in the North Sea Region are struggling with the consequences of immigration and issues related to urban expansion. For this reason the Programme seeks to support sustainable growth solutions to common problems across the Region. These issues include the integration of migrant populations and the challenge of accommodating an increasing demand for land.

Transnational actions will be supported that develop our capacity to deliver long-term solutions to these challenges and that help to build attractive places in which to live and work.

Transnational cooperation activities will be considered that, for example:

- Tackle problems of urban sprawl and congestion, e.g. through novel approaches for sustainable urban/regional transport solutions;
- Build, expand and strengthen urban and metropolitan networks with a view of their complementary functions for economic growth;
- Tackle the challenges of integrating migrant and immigrant populations;
- Developing strategies tackling changing requirements for land-use and transport patterns;
- Develop sustainable practices to maintain and enhance cultural heritage.

#### **4.4.4.3 Promoting energy-efficiency in urban and rural communities**

Developing sustainable communities will require a reduction in the energy footprint of our towns and rural areas. This area of intervention seeks to support this by encouraging the development and implementation of energy-efficient approaches to the built environment.

Stimulating greater energy-efficiency in the built environment can benefit individuals, and firms, by reducing their energy bills as well as society as a whole by reducing the amount of energy consumed, which helps to cut costs and provide e.g. affordable housing in

areas experiencing rapid growth. Much good work has been undertaken here at a national level and at a European-level. Yet there is the need to develop a transnational approach that involves local but also national authorities, intermediaries and trans-regionally operating stakeholders in order to share practice and understanding, which will lead to tangible outputs such as improvements in accepted construction standards. Transnational cooperation can have a place in informing the investment decisions to be made by urban and rural areas and in developing the skills and knowledge required by practitioners to implement policies in this area.

Transnational cooperation activities will be considered that, for example:

- Promote energy efficient consumption patterns in society;
- Create capacity in the construction sector and in building design towards energy efficiency and technological and business innovation, resulting in strategies for broader implementation;
- Introduce alternative energy schemes for business and domestic users;
- Develop common energy standards for building and construction activities.

#### **4.4.4.4 Strategic project example:**

##### *Cooperation between North Sea Region Coastline Communities*

Many communities on the North Sea coastline are vulnerable to the effects of climate change (e.g. flooding from rivers, increases in sea level) and at the same time play a driving role for the prosperous and sustainable development of the NSR as a whole. A strategic project is expected to employ a holistic approach to the development of these areas with their multifunctional relevance to the regional, national and European development regarding tourism, agriculture, industries and transport, but also land-use and as a residential area. A network of demonstration sites could illustrate different technical and policy approaches to dealing with the problem of flooding and the adaptation of the regions to changing socio-economic conditions through local and regional partnerships of city and port authorities, regulators and competent authorities. A strategic aspect here may be that this will inform national policies on how to engender resilience and adapt to climate change in these sensitive areas. As these play a critical role for the regional economies and for the future competitiveness of the NSR as a whole, a strategic project in this field will take a wider socio-economic and environmental perspective. It will have implications for the sustainable development of, for example port cities, which are adapting to changes in maritime industries, shipping and population. An important result will be to establish more uniform and better compatible response measures across national and regional borders in the NSR and create favourable conditions for the economic development of forward-looking industries and those capable of promoting economic diversification and higher employment levels (e.g. tourism) in these areas, as well as for environmentally sensitive management.

## 4.4.5

### Indicative Priority Targets Priority 4

Objective: To deliver sustainable and competitive communities

Type of indicator	Output indicator [2]			Baseline	Target [3]	Source of information
	Area of intervention	1. Tackling the needs of areas in decline	2. Promoting sustainable growth solutions in expanding areas			
	Target groups [1]	national / regional / local authorities; economic development agencies; service providers; community and business representatives; disadvantaged social groups				
Core activities		Number of transnational pilot actions				activity report
		Number of demonstration projects				
		Number of implementation strategies				
		Number of transnational know-how exchange platforms between communities (urban-urban, urban rural)		0	65 [4]	
			Number of transnational energy efficiency campaigns			
		Number of training and staff exchange programmes		0	60	
		Number of initiatives that provide or help find investment resources	0	[5]	activity / final report	
Raising awareness of project results		Number of transnational dissemination outputs (e.g. exhibitions, published material, websites, TV and radio appearances)		0	[5]	activity report
Strengthening transnational co-operation		Number of project partnerships			9	activity report
		Number of partners involved in projects			90	
		Number of project administration outputs: transnational partner management meetings		0	27	
		Number of project administration outputs: shared IT systems			9	
Value for money [6]		% of total project resources spent on Dissemination and Publicity outputs		5	> 5	activity report
		% of total project resources spent on Material Investment outputs [7]		29	< 29	
		% of total project resources spent on Transnational Administration and Partnership Building outputs		48	< 48	

Type of indicator	Result indicator [5]			Baseline	Target	Source of information
	Area of intervention	1. Tackling the needs of areas in decline	2. Promoting sustainable growth solutions in expanding areas			
	Target groups [1]	national / regional / local authorities; economic development agencies; service providers; community and business representatives; disadvantaged social groups				
Core activities		ha of areas in decline subject of management tools, strategies, initiatives				activity report
			ha of expanding areas subject of management tools, strategies, initiatives	0	15,000 [4]	
			ha of brownfield land re-used			
		Number of individuals from different target groups NSR reached by new / improved services		0	[5]	
		Number of pilots / services / new technologies transferred transnationally and implemented				
			Number of people (male / female) in the NSR reached by energy-efficiency awareness raising campaigns	0	44,000	
		Number of individuals in different social and age groups (18-24, 55+, male / female, unemployed) undertaken transnational training or staff exchange		0	370	
		Amount (€) of complementary financing secured (additional to approved project budget)		0	[5]	
Raising awareness of project results		Individuals (male / female) within and outside the NSR with greater awareness of project outputs		0	260,000	activity report
Strengthening transnational co-operation		Number of organisations involved in projects (contributing to a project activity)			1,400	activity report
		Number of individuals (male / female) involved in projects (contributing to a project activity)		0	6,700	
Value for money [6]		Average number of people benefitted by each € 1,000 spent (cost effectiveness)		2,6	> 2,6	activity report

[1] Target groups are defined for each area of intervention. The combination of the target groups addressed by individual projects and impacted through their outputs and results will be determined by the project activities and monitored through the activity reports, and the programme targets related to target groups adjusted accordingly. (see also Appendix 4.1: Target Groups)

[2] See Appendix 4.1: Output indicators

[3] See Appendix 4.1: Baselines and Targets

[4] Targets assigned to more than one indicator (i.e. certain types of activities) are accumulated, since their mix adding up to the total number is determined as funds are allocated. These targets will be monitored in relation to the output or result, based on information from activity reports. They will be adjusted and reported on annually. (see also Appendix 4.1)

[5] The output or result cannot be determined until the bulk of funds have been allocated and reliable information from activity reports gathered. For these reasons, not quantified indicators (without targets) will be monitored throughout the programme implementation period and targets for outputs and results will be quantified, reviewed and adjusted as funds are allocated. They will be refined annually and reported on in the annual reports. (see also Appendix 4.1)

[6] See Appendix 4.1: Value for Money

[7] Investments are defined as any material expenditure that incurs as part of an output and that contributes to increased productivity of future action, and that does not fall under other budget lines (e.g. administration costs).

## **4.5 PRIORITY 5 TECHNICAL ASSISTANCE.**

### **4.5.1 Rationale**

The funds for Technical Assistance will be spent in order to ensure an efficient and accountable management of the programme. The tasks will be mainly carried out by the joint technical secretariat and are described in details in chapter 5. It will ensure the provision of general publicity and information on the programme for the lead beneficiaries and other beneficiaries as well as for the general public. Overall monitoring of the programme content and of the take up of funds in order to optimise the quality of the programme implementation.

### **4.5.2 Aim of the Priority**

The joint technical secretariat will carry out the practical management and administration of the programme. The Monitoring Committee will supervise the programme on behalf of the Member States and Norway.

### **4.5.3 Objectives**

- Efficient and accountable management of the programme in line with the decisions of the Monitoring and Steering Committees.
- Ensure that information about and publicity for the programme is widespread and in line with the publicity requirements in Commission Regulation (EC) No 1083/2006, Chapter III and Commission Regulation (EC) No 1828/2006, Section 1.
- Guidance to potential project applicants and information to final beneficiaries (Lead Beneficiaries).
- Collection and management of necessary data to monitor the achievements of the programme.
- Ongoing improvements of the programme implementation throughout the programme period.
- Implementation of the decisions of the Monitoring and Steering Committees.

### **4.5.4 Areas of Intervention**

#### **4.5.4.1 Accountable and efficient programme implementation**

The delivery of the North Sea Region programme in an accountable and efficient way is key to the success of the programme. The delivery of the programme builds on the descriptions of activities in the Operational Programme and the implementation strategy which will be part of the Business and Implementation Plan. The Business and Implementation Plan will be approved by the Monitoring Committee.

#### **4.5.4.2 Documentation of programme achievements**

Regular reporting on programme achievements to the monitoring and steering committees, the national, regional and local stakeholders as well as the European Commission is an integrated part of the delivery of the programme. The provision of dependable and meaningful data for this purpose is necessary for this purpose. All key data will be made available to the general public in the annual report and reports targeted specific events or purposes.

#### **4.5.4.3 Programme promotion**

Promotion of the North Sea Region programme is an important task for the joint technical secretariat. The added value of the programme will be a key focus for the programme promotion and the aims, objectives, results and outcomes will be communicated using all available sources of communication. A communication strategy will be presented to the Monitoring Committee at its first meeting as an integrated part of the Business and Implementation Plan.

## 4.5.5

## Indicative Priority Targets Priority 5

Objective: Technical Assistance

		Output indicator [2]			Baseline	Target [3]	Source of Information
Type of indicator	Area of intervention	1. Accountable and efficient programme implementation	2. Documentation of programme achievements	3. Programme promotion			
	Target groups [1]	national / regional / local authorities (in particular representatives in the SC and MC; economic development agencies; service providers; community and business representatives; disadvantaged social groups		national / regional / local authorities; economic development agencies; service providers; community and business representatives; energy agencies; citizens			
Core activities		Number of project applications			0	350	Annual Report
		Number of projects approved (Grant Offer Letters issued)			0	>50	
		Allocation of funds			0	100%	
Raising awareness of project results		Number of transnational dissemination outputs (e.g. exhibitions, published material, websites, TV and radio appearances)			0	[5]	Annual Report
Strengthening transnational co-operation		Number of Lead Partner seminars			0	10	Annual Report
		Number of Steering Committee meetings				12	
		Number of Monitoring Committee meetings				15	
		Number of targeted seminars				[5]	

		Result indicator [5]			Baseline	Target	Source of Information
Type of indicator	Area of intervention	1. Accountable and efficient programme implementation	2. Documentation of programme achievements	3. Promoting energy efficiency in urban and rural communities			
	Target groups [1]	national / regional / local authorities (in particular representatives in the SC and MC; economic development agencies; service providers; community and business representatives; disadvantaged social groups		national / regional / local authorities; economic development agencies; service providers; community and business representatives; energy agencies; citizens			
Core activities		Certified take up of funds by projects			0	100%	Annual Report
		Amount of automatic decommitment			0	0	
Raising awareness of project results		Number of evaluations carried out on programme level			0	[5]	Annual Report
Strengthening transnational co-operation		Number of participants in seminars and conferences			0	[5]	Annual Report

[1] Target groups are defined for each area of intervention. The combination of the target groups addressed by individual projects and impacted through their outputs and results will be determined by the project activities and monitored through the activities.

[2] See Appendix 4.1: Output indicators

[3] See Appendix 4.1: Baselines and Targets

[4] Targets assigned to more than one indicator (i.e. certain types of activities) are accumulated, since their mix adding up to the total number is determined as funds are allocated. These

[5] The output or result cannot be determined until the bulk of funds have been allocated and reliable information from activity reports gathered. For these reasons, not quantified indicators (without targets) will be monitored throughout the programme implementation.