

Public consultation on streamlining EU funding in the European Arctic

http://ec.europa.eu/dgs/maritimeaffairs_fisheries/consultations/arctic-eu-funding/index_en.htm

Background

In the wake of climate change and increasing human activity in the region, the Arctic faces considerable opportunities and challenges. The European Union is actively cooperating in international fora in fields such as Arctic research, safe shipping and reducing chemical pollutants. As the EU's engagement with partners around the world further develops, the time is ripe for the EU to look at how it could further strengthen its positive impact on the Arctic's future, notably by acting in a more joined up way in areas and on issues where it has the most impact in terms of its funding capacity – in particular in that part of the Arctic that stretches from Greenland to the Barents region.

At the same time, there is growing awareness that our oceans and seas carry an enormous, yet largely untapped, potential. Whilst bearing in mind that maintaining and developing new economic activities offshore and onshore in the Arctic, as elsewhere, should take place sustainably, it is clear that offshore renewables, marine biotechnology and other emerging sectors as well as a revitalisation of traditional activities such as fisheries, aquaculture and tourism can provide jobs and spur economic growth. However, developing this 'Blue Economy' may need substantial support from the public sector, giving companies the confidence to invest. One particular sea basin and terrestrial region that holds both massive opportunities as well as substantial challenges is the Arctic Ocean.

The Arctic has warmed faster in the last decades than any other region on Earth. Due to melting sea ice, the region could become an important global trading route. Previously inaccessible natural resources like oil and natural gas can now be more easily exploited. Meanwhile, a vulnerable and unique ecosystem is endangered. The thawing permafrost and melting sea ice will have significant knock-on effects on the Earth's climate system.

With the EU having invested over €1.14 billion in the European Arctic since 2007, next to the €20 million per year on Arctic research and the considerable support in the form of the Greenland partnership Agreement (€217 million for the 2014-2020 period), the EU is a key investor in the Arctic region. However, with public authorities facing budgetary constraints and with less EU funding overall available, also for the northern regions, the question arises if more can be done to ensure that local communities and Arctic indigenous peoples get more value for money in line with local priorities.

During the 2007-2013 financial period, there were three national programmes in place for North Sweden and North Finland respectively, five cross-border programmes and two Interreg programmes with strong Arctic linkages (Baltic and Northern Periphery). These programmes have many beneficiaries and it should be ensured that the EU is acting in the most efficient way and delivering real added value.

In the 2012 [Joint Communication](#) on "Developing a European Union Policy towards the Arctic Region: progress since 2008 and next steps" the Commission and High Representative already signalled that the time was ripe to reinforce and interlink the various financial instruments that the EU has at its disposal to increase their positive impact on development in the Arctic for the benefit of local communities and indigenous peoples.

Common rules are now in place to ensure a better coordination between the European Structural and Investment funds (the European Regional Development Fund, the Cohesion Fund and the European

Social Fund as the three funds under Cohesion Policy as well as the European Agriculture and Rural Development Fund and the European Maritime and Fisheries Fund). This common set of rules is also designed to create a better link to other EU instruments such as Horizon 2020, the Connecting Europe Facility, the Programme for Employment and Social Innovation, and the Partnership Instrument. They also aim to ensure that cross-border projects and macro-regional strategies are supported by national and regional programmes.

The need for further coherence and an integrated approach for the Arctic was further highlighted by the [European Parliament](#) in March. It called for:

"the development of more effective synergies between existing programmes, for instance under the Interreg IV programme, the Northern Periphery Programme (NPP), Kolarctic, Baltic and the Blue Growth strategy, as well as contributions to fund Northern Dimension Partnerships such as the Northern Dimension Environmental Partnership (NDEP) and the Northern Dimension Partnership on Transportation and Logistics (NDPTL), or other European Neighbourhood Instrument (ENI) envelopes to enable the efficient channelling of funding, and to clearly define investment priorities for engagement with the Arctic region; urges the Commission and the EEAS to cooperate for a coherent channelling of funds on the Arctic and thereby to maximise effective interaction between the EU's internal and external programmes and projects related to Arctic and sub-Arctic regions."

The need for further coherence was also stressed by the [EU Foreign Affairs Council](#). On 14 May 2014, it *"requested the Commission and the High Representative to present proposals for the further development of an 'integrated and coherent Arctic Policy' by December 2015. As part of this exercise, the Council encouraged the Commission to ensure effective synergies between the various funding instruments in the Arctic region."*



The European Arctic, stretching from Greenland to the Ural mountains (image courtesy of the European Environment Agency)

Why this Consultation?

This consultation builds on one of the issues identified in the 2012 [Joint Communication](#) to the European Parliament and the Council on 'Developing a European Union policy towards the Arctic region: progress since 2008 and next steps'. This Joint Communication stressed the importance of reinforcing and interlinking the various funding initiatives at the EU's disposal in order to have a positive impact on the development of the Arctic for the benefit of local communities and indigenous peoples.

This consultation also responds to the calls from the European Parliament and the Council that underline a broad support for a further coherence between the different EU instruments that can be deployed in the Arctic. The European Commission is therefore actively seeking the contributions of all those interested (including Member States, neighbouring countries, regions, municipalities, international organisations, financial institutions, socio-economic partners and civil society) in order to:

- obtain an overview of what the key investment and research priorities are for the region;
- see if there is scope for further coordination and exchange of best practices;
- see where improvements could be made in the scale and scope of EU funding in specific areas such as connectivity, environment and development;
- consider how other sources of funding, for example from the private sector, could best be used to support regional economic development.

Reference documents

- Developing a European Union Policy towards the Arctic Region: progress since 2008 and next steps ([JOIN\(2012\) 019 final](#))
- Common rules to ensure a better coordination between the European Structural and Investment funds ([Regulation \(EU\) No 1303/2013 of the European Parliament and of the Council of 17 December 2013](#))
- European Parliament resolution of 12 March 2014 on the EU strategy for the Arctic ([2013/2595\(RSP\)](#))
- Council conclusions on developing a European Union Policy towards the Arctic Region ([Foreign Affairs Council meeting, Brussels, 12 May 2014](#))