



Just Transition Platform – Policy approach:

ROADMAP TOWARDS AN OIL-FREE AND LOW-CARBON NORTH KARELIA BY 2040

This document is part of a series presenting information and lessons learned on policy approaches at national, regional or local level supporting a just transition to a climate-neutral economy. The Just Transition Platform (JTP) assists EU Member States and regions to unlock the support in this transition. Visit the JTP website: https://ec.europa.eu/regional_policy/funding/just-transition-fund/just-transition-platform_en

Member State:

Finland

Region:

North Karelia

Sector:

Other: fossil fuel industries, carbon intensive industries

Total budget (€):

655,015

Financing conditions (co-financing rate):

70% European Funds, 30% Regional Structural Fund

Sources of funding:

EU funding: ESIF T04, Sustainable Job and Growth, €458,511

National funding:

Ministry for economy and employment (no specific amount)

Regional funding:

Funding by the Regional Strategic Programme €196,504

Duration:

09/2015 – 08/2018 (35 months)

Responsible Managing Authority/Agency:

Regional Council of North Karelia

Summary

The roadmap "Towards Oil-Free and Low-Carbon Area 2040" is based on Energy and Climate Programme of North Karelia 2020. Main sectors for the roadmap are: Energy, Transport, Land-Use, Natural resources and bioeconomy, Circular economy, innovations and know-how. The 'Roadmap Towards an Oil-Free and Low-Carbon North Karelia 2040' was meant to be a regional strategic programme to develop projects that would implement the necessary activities to reduce greenhouse gas emissions by 80% from 2007 level until 2030 inside the municipality's border of the Region. This should have been reached through collaboration between local stakeholders.

The purpose of the roadmap is to collect and suggest tangible steps that are to be taken to reach the set targets. The main aim of the good practice is to develop concrete actions in order to achieve carbon neutrality by 2040. Altogether, representatives of 54 different organisations – among

them SMEs; public and local authorities; research centres; cooperatives; NGOs; municipalities and industries – attended the six thematic workshops were organised between March 2016 and May 2017. The roadmap team included the Regional Council of North Karelia, Finnish Environment Institute SYKE and Karelia University of Applied Sciences through the following projects: North Karelia Towards Oil Free and Low Carbon Region, Power from biomass, SE-CURE, BIO4ECO, TENTacle and CIRCWASTE. The goal was to involve a wide range of stakeholders who will play an important role in putting the plans into action. By doing so a socially accepted, economically feasible and ecologically sensible transformation should be ensured. Main strategic directions to succeed are the economic diversification and reskilling of workforce, modernisation and innovation within research and development to modernise the industrial sector as well as restoring biodiversity and peatlands.

Type of policy measure/activities:

The roadmap's aim was to create concrete implementation plans to facilitate interregional or international cooperation. Thereby, the good practice identified six different sectors that would act as indication for where necessary actions are directed. The roadmap concentrated on facilitating synergetic use of several funds through collaboration between the different sectors' projects as well as enhancing cross-domain interactions to have a high impact potential within the region. The latter was implemented through a continuous entrepreneurial discovery process, a committed civil society participation and inter-regional cooperation. Furthermore, it was the roadmap's concern to coordinate the relevance of the national and regional energy strategy as an overall framework within the region of North Karelia. Work was conducted in several workshops involving several stakeholders. It laid out the targets for reducing emissions and raising awareness about climate change, sustainable growth of bioeconomy sector and increasing the share of renewable energy. In addition, the regional goals and guidelines were reviewed and opened for discussion for anyone interested in the roadmap. Comments came mostly from organisations that were involved during the whole process of elaboration of the roadmap. A separate workshop was organised for schoolchildren, who were asked about their views on a sustainable future.

Goals and approach:

The roadmaps' main goal was to achieve the municipalities goal of carbon neutrality of the North Karelia Region to reach carbon-neutrality by 2030.

To reach this, the initiative followed several goals/tasks:

- boosting innovation-led growth in regions in industrial transition
- preparing for jobs of the future (boosting skills)
- broadening and diffusing innovation in regions in industrial transition
- promoting entrepreneurship and private sector engagement
- transition towards a climate-neutral economy
- promoting inclusive growth

The latter were implemented in 300 different actions over the course of the roadmap and were classified as short-, medium- and long-term steps.

Important outputs, results or achievements:

The initiative has produced several discussion panels and workshops on the implementation of a just transition in the North Karelia region. Six thematic workshops were organised between March 2016 and May 2017 in order to collect ideas about actions that should be taken. The workshops dealt with identifying the regional strengths, within the sectors of energy, bio- and circular economy and transportation as a replacement of fossil fuels and network of filling stations. In addition, the regional goals and guidelines were reviewed and opened for discussion for anyone interested in the roadmap. Comments came

mostly from organisations that were involved during the whole process of elaboration of the roadmap. A separate workshop was organised for schoolchildren, who were asked about their views on sustainable future. Furthermore, the roadmap identified six regional projects (North Karelia Towards Oil Free and Low Carbon Area, Secure NPA, BIO4ECO, TENTacle, CIRCWASTE, Power from biomass) in order to achieve their goals. These are run by three different organisations (Regional Council of North Karelia, Finnish Environment Institute, Karelia University of Applied Sciences).

Scalability¹ and transferability²:

The initiative is transferable only partially. The roadmap includes regional targets concerning climate and energy actions and expands perspective for developing economic activities in the area for example within bioeconomy and circular economy, which could be adapted to other regions. Furthermore, the inclusive process with several workshops engages stakeholders for new actions needed for achieving targets and the close collaboration between municipality and regions would be a further point that other regions could adapt. While the actions planned have been used as a benchmark for other regions in Finland,

the structure and network of local stakeholders established through years of regional programmes is rooted within the characteristics of the region and needs time to establish. The initiative is scalable only to a smaller extent. Key for the success of the initiative is the strong involvement of local stakeholders and specific regional concentration. Scaling up the regional programme would make the bottom-up approach challenging to deliver concrete projects on a bigger scale.

1 Scalability entails that a policy approach can be adapted to a bigger scale than just the local context.

2 Transferability entails that a policy approach can be applicable to a similar setting and replicated.

Key success factors and lessons learnt:

One of the key success factors of the roadmap is the strong commitment and the high participation of the local stakeholders, and the process itself was a successful case of cooperation across sectoral borders. The roadmap's head project management was composed out of persons from different institutions, but from the region itself, creating a collaborative team. A fully inclusive process was identified as necessary for a successful project, which is considered as one of the main lessons learnt. Another key success factor was to use the synergies between different organisations and between the multiple projects, allowing cooperation across sectoral borders, which were crucial for the success of the good practice. Moreover, the inclusive process within the roadmap's project could be considered a success factor as well, allowing not only horizontal cross-sectoral collaboration, but further vertical and interregional collaboration. This took place through five different projects, a project group for roadmap consisting of experts from three different organisations, and several workshops with stakeholders from more than 50 organisations. Further, the collaboration with international projects involved in the roadmap allowed the stakeholders a broader perspective of their work. Lastly, the remaining structure and experience of previous regional programmes, on which the good practice can rely and fall back on existing networks of local stakeholders, is seen as a fundamental part of the success factor of the Roadmap towards an Oil-free and Low-Carbon North Karelia.

Key challenges:

One of the key challenges was to focus the discussion from a general to a more concrete level, and name actors who could and should take initiative for advancing the proposed actions. In some cases, it seemed that the instruments for influencing incentives (e.g. energy policies) were out of the reach of regional and local actors.

Moreover, the communication of the targets and the benefits that these would bring to the regional development were a challenge for the policy makers. It seems that transmitting the future benefits of the good practice transition, in terms of economic, environmental, and regional advantages, for the region was sometimes challenging, as some municipalities first saw the aims set by the roadmap as too ambitious.

Central framework conditions³:

The economy of the North Karelia Region is dominated by the industrial sectors. These combine energy, mining, manufacturing, and forestry. The region is drawn by a high unemployment rate and within the industrial sector mainly SMEs have settled in. The North Karelia's Climate and Energy Programme was adopted in 2012. It laid out the targets for reducing emissions and raising awareness about climate change, sustainable growth of bioeconomy sector and increasing the share of renewable energy. The purpose of the roadmap is to collect and suggest tangible steps that are to be taken to reach the set targets.

The roadmap is part of implementation of Bringing low-carbon energy solutions to North Karelia, Finland project and contributes to a Regional Action plan that is being drafted in the Interreg Europe BIO4ECO project. The workshops were organised between March 2016 and May 2017.

The Roadmap towards an Oil-Free and Low Carbon North Karelia 2040 is only one of many practices that were implemented in the past 30 years, in order to tackle the economic and environmental challenges of the region. This highlights the strong intersectional and co-involvement between different past and ongoing projects within the region, to reach a just transition.

The focus is to implement and restructure the regional manufacturing industries towards a smart specialization region focusing on bio-economic and technological and material industry. The regions' goal is to reach carbon neutrality within 2040, however some of the municipalities, such as the regions capital Joensuu, are committed to reach this goal within 2025.

Outlook:

Officially the initiative the Roadmap towards an Oil-Free and Low-Carbon North Karelia can be considered closed. However last year the regional structural programme has planned new climate and energy projects of which the Roadmap towards an Oil-Free and Low-Carbon North Karelia 2040, has become part of the projects that have been initiated, namely North Karelia Towards Oil Free and Low Carbon Area, Secure NPA,

BIO4ECO, TENTacle, CIRCWASTE, Power from biomass, continue to be active and implement the respective goals in the region while the targets and goals are being adjusted respectively to reach the established goals. Furthermore, the regional council of North Karelia as the policy maker, is already planning a follow up practice which would continue the work initiated and further support the transition of the region.

³ Framework conditions encompass the institutional, informational and socio-economic factors that determine a given environment (contextual information), e.g. market conditions, access to finance, tax regulation, infrastructure and support.

Partners & contacts:

- Regional Council of North Karelia (9 out of 13 municipalities participating)
- Finnish Environment Institute SYKE
- Karelia University of Applied Sciences and University of Eastern Finland
- Power from biomass
- SE-CURE
- Interreg Europe BIO4ECO
- TENTacle
- CIRCWASTE

The Roadmap team included representatives of over 50 organisations and several private persons who participated in the roadmap work through the following projects:

Website:

<https://www.pohjois-karjala.fi/strategia2040>

Links to partner projects:

- Power from biomass:
https://ec.europa.eu/regional_policy/en/projects/finland/developing-a-biogas-network-in-north-karelia
- SE-CURE:
<https://secure.interreg-npa.eu/news/show/everyday-energy-saving-tips-in-north-karelia-through-secure/>
- Interreg Europe BIO4ECO:
<https://www.pohjois-karjala.fi/documents/33565/34097/Action+Plan+Bio4Eco+North+Karelia.pdf/bf030b28-0948-3da9-e269-95f633c1528c>
- TENTacle:
http://tentacle.eu/project/corridor_void_areas/
- CIRCWASTE:
<https://www.circwaste.fi/en-US>

Sources:

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- OECD (2019), OECD Mining Regions and Cities Case Study: Outokumpu and North Karelia, Finland, <https://www.oecd-ilibrary.org/sites/293f111f-en/index.html?itemId=/content/component/293f111f-en>

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