



Sent by e-mail

Breivikbotn, November 9th 2020

Input – Revision of the EU's Arctic strategy

Additional input from a total of 40 municipalities in North Norway, to the public consultation regarding the revision of the EU's Arctic strategy. The municipalities are represented by 5 inter-municipal councils; Vest-Finnmark Rådet (7 municipalities in Troms and Finnmark County), Vesterålen regionråd (6 municipalities in Nordland County), Salten Regionråd (10 municipalities in Nordland County), Indre Helgeland Regionråd (5 municipalities in Nordland County) and Helgelandrådet (12 municipalities in Nordland County);

1. In your view, what have been the EU's main achievements and failures under each of the three priorities in the 2016 Joint Communication?

Vest-Finnmark Rådet, Vesterålen regionråd, Salten Regionråd, Indre Helgeland Regionråd and Helgelandrådet embraces the EU's engagement in promoting sustainable development in the Arctic. This priority marks a positive shift in how the Arctic is perceived as a strategically important territory, with green growth potential for the region and Europe. The EU's top priority should be to assist the region in overcoming the Arctic paradox. That is, changing a demographic trend that is inversely correlated with economic growth. A stable demographic development is a necessary precondition for development and security in the Arctic regions. The most important means of meeting regional challenges in the Nordic/European part of the Arctic is by making use of the large natural resources in the region to stimulate economic growth and create new attractive jobs including utilizing the research institutions in the Arctic.

The EU's Arctic engagement shows great achievement, as exemplified by the processes leading to the report on Arctic investment needs in 2017, and the EU Arctic Forum in 2019. We further applaud the successful support for climate and environmental polar research. Infrastructure needs are being addressed through the TEN-T network.

Awarding the city of Bodø with the title of European Capital of Culture in 2024 is also a project that will boost sustainability in the region. The hydrogen project Haeolus in Berlevåg is a stellar example of how EU support can unlock the innovative potential of sparsely populated areas.

The revision of the EU Arctic Policy hopefully links Arctic needs to a wider range of policy areas. For example, Horizon Europe should promote intensified cross-disciplinary and social science knowledge production by and for Arctic universities and societies: a necessity for achieving social sustainability. It is very important that a main part of the research are led from and takes place in the Arctic regions, securing applicable research and local acceptance and commitment.

2. Looking forward, to what extent are the three priorities of the Joint Communication still relevant? Rate on a scale from 1 to 5, whereby 1 star is not relevant at all, 2 is somewhat irrelevant, 3 is unsure/neutral, 4 is somewhat relevant, and 5 is still very relevant.

- **Climate Change and Safeguarding the Arctic Environment 4**
- **Sustainable Development in and around the Arctic 5**
- **International Cooperation on Arctic Issues 4**

Why?

Sustainable regional development in and around the Arctic

Sustainable regional development should be the EU's main priority for the years to come. Europe's Arctic regions, including North Norway, are highly developed with access to rich natural resources that can contribute to the UN SDG's and the EU Green Deal, while tackling geopolitical tensions through cross border cooperation (CBC). Living in the Nordic part of the Arctic, i.e. the northern part of Norway, Sweden and Finland, is not different from other parts of Europe. Living in Kemijärvi or Ivalo, Tromsø or Hammerfest, is not very different from living in cities of the same size in the southern parts of the countries. There are no significant differences in standards of living.

Unlocking the potential of the regions requires a long-term investment commitment from the EU and a continuation of fair state aid rules. Arctic regions can climb value chains through smart investments, making them able to take a further part in a fair and green development, nationally and in Europe.

Furthermore, the EU need a holistic approach to promote development to attract skilled citizens to the Arctic. This includes support for cultural projects like ECoC Bodø2024, transport and infrastructure initiatives like the inclusion of the Port of Narvik, Ofoten railway and the European route E10 and E12 in the TEN-T networks, and the widening of the scope of Arctic research to include social science perspectives. Only a holistic approach can resolve the Arctic paradox. That is, despite sound economic growth and solid human development levels, demographic trends are gloomy.

Place-based instruments such as smart specialisation strategies and territorial cooperation are useful for tailoring investments. These EU policy tools should therefore be further developed and linked to the EU Arctic Policy. Despite not being part of the EU's regional policy, we

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participate in Interreg programmes with national funding. Interreg A Sweden-Finland-Norway, Interreg B Northern Periphery & Arctic, and Kolarctic CBC are important for maintaining development and our long tradition with CBC in the Barents region. CBC is vital for gaining a critical mass in sparsely populated areas. For Sámi populations, the Interreg programs are often the only means for financing CBC. The EU should also further its support of the Arctic Investment Platform (AIP). As a result of an extensive CBC financed through Interreg North, the AIP has the potential for providing a source of the long-term risk-capital needed to increase resilience in the Arctic.

Infrastructure investment is a driver for green growth and resilience in the export-oriented economies of the Arctic. Improving connectivity and maritime ports, roads, and railways connected to the TEN-T corridors is a prerequisite for supplying the EU with sustainably produced seafood and raw materials. In contrast to national borders, these transport corridors follow an east-west axis and are important for promoting CBC in the European Arctic.

Climate change and safeguarding the Arctic

North Norway stresses the role EU can take to both understand and mitigate climate change. It is in the interest of the people living in the Arctic and Europe to mitigate climate change and safeguard the environment. Pervasive climate change effects are already affecting our communities. Indigenous peoples of the Arctic are especially sensitive to these consequences. Rising temperatures, extreme weather conditions and biological changes threaten traditional ways of life. Sámi populations in northern Finland, Sweden and Norway face similar challenges. Sámi reindeer herders face poor grazing conditions in reindeer districts due to increasingly volatile weather conditions. Warmer winters also cause hazardous working conditions, such as unpredictable ice thickness in reindeer migration routes. Indigenous peoples also have a vital role in the fight against climate change. In combination with scientific data, indigenous knowledge can play a role in developing adaptation and mitigation measures in the Arctic.

International cooperation on Arctic issues

A key priority for the EU should be a peaceful, innovative, and sustainable Arctic. The Arctic Council, the Barents regional Council, the Barents-Euro Arctic Council, the North Calotte Council, and the Northern Dimension are important arenas for decision making and practical relations with Arctic partners. Far-reaching people-to-people cooperation and high-level political dialogue within the Barents cooperation is particularly important for maintaining the Arctic as a low-tension area and developing cooperation with Russia. A low-tension Arctic region is necessary for ensuring sustainability, exemplified by the excellent fisheries cooperation between Norway and Russia.

3. *Is enough being done at EU level to reduce the environmental impact of being a major consumer of Arctic resources? What else can be done at EU level and/or by way of its external relations, through international organizations or directly with international partners?*

Climate change affects the Arctic regions more than anywhere else. The EU should contribute to international efforts to limit emissions of short-lived climate pollutants such as black carbon and methane, as well as mitigating effects from global emissions. Marine litter, in particular micro-plastics, flows with the ocean currents into the Arctic oceans and has a serious impact on the eco-systems, economies, and societies.

There is a need for more research on climate change, earth observation, space science, search and rescue, and operations in cold climate, energy related R&D, and marine resources. The Arctic can serve as a test bed for the commercialisation of Arctic natural resources for the EU market. As an example, the Arctic is the home to increasingly important fish stocks, but also a much-needed aquaculture industry. However, most research on aquaculture optimization happens in sub-Arctic environments. With the growth of aquaculture, there is a need for research to further develop sustainable coexistence in the Arctic fisheries.

This will allow further development of excellence in open source research infrastructure and technology platforms. To achieve these goals, increased support for strategic investments are essential. Horizon Europe and European alliances on batteries, hydrogen and raw materials have great potential in this regard, given that they have a multilevel approach and a territorial dimension.

4. *How could the EU Arctic policy contribute to addressing more effectively the balance between the need for preservation and precaution and the sustainable use and development of the economic potential across the Arctic regions?*

Our 40 municipalities in North Norway welcomes the focus on sustainable regional development in the Arctic for the benefit of the Arctic and the EU's green and fair transition. The Arctic's potential can be unlocked with the support of ambitious EU instruments and fair regional state aid rules, making the region able to provide critical resources and innovation. As stated in reports on investment priorities in the European Arctic, there is an extensive need for more investments in digital and transport infrastructure, support for development of SMEs in place-dependent sectors like energy, sustainable extraction and processing as well as sustainable tourism – also in a post-corona world.

The European Arctic consists of highly developed communities facing structural challenges such as long distances, sparse populations, harsh climates and demographic imbalances. The Arctic's raw-material-based economies are in special need of attention from the EU, which is a beneficiary of the region's resources that are contributing to European development. R&I could mitigate the effect of structural challenges by increasing connectivity and allowing Arctic industries to climb in the value chains, adding value to local communities and Europe.

The EU should involve the local and regional level of governance to a greater extent. Arctic regions have extensive knowledge to offer on regulating and governing development in a

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sustainable direction. This is exemplified by our coastal zone management where several industries simultaneously and sustainably partake in value creation.

5. *What more could be done at EU level to help ensure the sustainable development of the Arctic region which meets the needs of Arctic communities and respects the rights of indigenous peoples?*

The EU plays a key role in facilitating multilevel dialogues while ensuring principles of partnership and inclusion are kept to. North Norway does this through several networks including the NSPA-network, Barents co-operation and the North Calotte Council, which offer the ability to initiate, support and strengthen cooperation at the local and regional level. Domestically, North Norway employs mechanisms aimed at ensuring dialogue with indigenous interest groups in cases directly affecting Sámi communities.

In 2017 the OECD initiated a case study on the conditions for growth in Sapmí. A key policy recommendation was to build alliances and work on issues of common interest. The EU and North Norway should support this approach to address complex challenges together through institutions such as the Sámi Council and the national Sámi parliaments. Specific issues could be joint measures to adapt welfare services in the public sector to include the Sámi languages and cultural knowledge. Securing education, through channels such as support infrastructures and stipends, is also crucial for providing Sámi and Arctic citizens in general with agency and necessary skills for the future. Resource extraction in the Arctic should also continue to be done on a basis of dialogue between indigenous peoples and other stakeholders. It is important to bare in mind that though traditional reindeer herding and traditional handicraft a.s.o. are very important for the cultural identity, most of the Sámi population is occupied with the same activities as the rest of the population, including fisheries, farming, tourism, oil and gas and other industrial activities.

6. *How could the EU Arctic policy best complement EU Member State action in the Arctic to address socio-economic challenges and demographic development?*

Although extremely sparsely populated in a European context, North Norway and the Barents region is dense with a large population in comparison to the greater Arctic. However, the demographic challenges are the same as elsewhere in the Arctic: despite economic growth, an aging and declining population is causing problems for functional labour markets and the provision of public services.

The global urbanisation trend is difficult to halt. Creating attractive societies, especially in the Arctic, requires local knowledge. The EU should therefore continue its support to the regional and local levels of governance. Incentives such as ECoC Bodø2024 are needed to promote economic, social, and cultural development, to create more vibrant societies.

Supporting universities and other knowledge producers in the High North will benefit rural and sparsely populated areas in the whole of Europe. With a wider definition of Arctic research, universities will be able to produce the right knowledge to turn around demographic trends to benefit the region and Europe.

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North Norway already delivers green growth through some of the best resource management systems in Europe, green energy production, innovation and circular economies as exemplified by Mo Industrial Park, and biotech companies with advanced industrial utilization of marine raw materials. To allow further development, fair state aid policies are crucial, as these are proven to be an effective measure to mitigate urbanisation and maintain growth.

7. *How could intergovernmental and regional cooperation in the Arctic be improved for the benefit of the Arctic region and what should the EU's role be in this?*

The European Arctic has been an area of low tension, and North Norway has had good relations with North-West Russia through e.g. the Barents Euro Arctic cooperation (BEAC). The Norwegian Barents Secretariat has expertise on cross-border collaboration, and people-to-people cooperation between Northwest Russia, Northern Finland, Sweden, and Norway is a strong contributor to social, economic, and cultural development. This model has also been employed in other European border regions to ease tensions. The Northern Dimension policy is also an important tool for cooperation through its partnerships that can help in this regard.

The cooperative situation may be challenged as the competition for Arctic resources intensifies at the state level. Changing conditions implies a need for more international cooperation and the need to develop the cooperative platforms that already exist. One example is the Joint Barents Transport Plan and Barents transport cooperation, which will develop systems that not only communicate with each other across the border, but will provide real-time information, allowing for a more effective transportation of goods in our region.

The EU's engagement in the BEAC is therefore very much welcomed. EU support for the Arctic Mayors Forum can also contribute to boosting circumpolar cooperation at the sub-regional level.

8. *How can the impact of EU science and technology/research and innovation efforts be further enhanced, as a means of supporting the priorities of the EU's Arctic Policy? To what extent can EU engagement in science and technology/research and innovation be strengthened, for the benefit of the Arctic region?*

Science and innovation play a significant role in the regions' ability to deliver added values to Europe through Arctic research. The EU has an important role as a funder and coordinator of research. The EU priorities on Arctic science have been a success story over the last years together with the operation of Copernicus. However, a large share of the EU's contributions to the Arctic remains unrecognized due to a too narrow definition of Arctic research employed by the Commission. To ensure sustainable societies in the High North, an increased emphasis on social science research will ensure a balanced knowledge production in addition to existing STEM-research initiatives. Arctic communities need to produce their own knowledge, also through citizen science, not only as raw materials providers, but as innovative and attractive communities.

The report Arctic research and innovation of 2018 reaffirms the EU's dedication to science and innovation as a force for continued development of the Arctic. However, the projects mentioned by the EU are limited to polar research, which leaves knowledge gaps on how to ensure social

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and economic sustainability in the High North. Nord University is ready to provide significant contributions in this regard through social science research by and for the Arctic. Likewise, UiT - The Arctic University of Norway together with its partnership, Arctic 5, aims to lead the way in Arctic research and become an even closer partner for the EU.

Additional comments:

We welcome the EU to take part in the Arctic discussions coming out of already established international organizations and relations in the region, in order to facilitate an even better balance between economic activity, the environment and social sustainability.

We believe that sustainable protections are best performed through sustainable use and sustainable development, based on the natural resources in the Arctic region.

The EU should devise a strategy for the Arctic as a source of strategic resources and energy. The Arctic should look upon the EU as an ally in securing a sustainable future. Together we can provide for a predictable and prosperous future for the region.

Sincerely

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Norways Minister of Foreign Affairs Ine Eriksen Sørreide
Norways Foreign Affairs Committee
Parliamentary representatives from North Norway
Inter-municipal councils in North Norway

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