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European Commission  
European Parliament  
Swedish Government  
Swedish Riksdag

## Europaforum Northern Sweden wishes to communicate its views concerning the ongoing negotiations on the future Cohesion Policy of the EU

*Europaforum Northern Sweden is a network for politicians at the local and regional levels from Norrbotten, Västerbotten, Jämtland Härjedalen and Västernorrland. EFNS is a meeting place and knowledge arena where EU policies are analysed and discussed as regards how they affect northern Sweden. EFNS monitors European issues to influence EU legislation, the EU's strategies and action programmes and the EU's budget. The objective of EFNS is to safeguard the interests of northern Sweden both in the European arena and in relation to the national level in matters with a clear European perspective.*

### Northern Sweden welcomes the continuation of the partnership principle in the next programming period

Europe is made up of regions whose diversity and differences constitute their core. Each of these regions has unique challenges and opportunities. Giving special consideration to each region's context and objective is the key to sustainable development in all parts of the EU. The concept of smart specialisation focuses on this diversity and contributes to strengthening the regions through collaborations that lead to innovation in the regions and cooperation with European regions and countries with a similar focus. Smart specialisation is a working method that aims to reinforce regions' competitiveness by identifying and prioritising areas with a potential for growth. Smart specialisation gives regions a common framework and common terminology for identifying regional growth opportunities. In the run-up to the current programming period 2014-2020, a partnership principle was established between the EU, respective countries and relevant actors on the local and regional levels. This was manifested through a Partnership Agreement, aiming to give a strategic framework for the goals and priorities of programmes and how different funds and programmes work together to support sustainable growth based on the specific conditions and potentials of every region.

EFNS values the Partnership Agreement concept and puts emphasis on the importance of multi-level governance in the design and implementation of the ESI-funds. Considering how the Partnership Agreement process was dealt with in Sweden before the current programming period, we want to see a stronger partnership in the current negotiations and in the work ahead of us. It is of great importance that cohesion policy implementation is based on the unique situation of every region and that Sweden therefore organises the regional operational programmes and funds according to the current administrative geographies. This is especially important for us northern regions with specific challenges such as large territories, low population density and the special status bestowed on our regions in the European Social Fund+ (ESF+) and the European Regional Development Fund (ERDF).

The proposal of the European Commission on the Partnership Agreement has not been well received by the Council as many member states prefer a voluntary Partnership Agreement. The Council has therefore taken a position which would mean that Member States who have been allocated less than 2.5 billion euro will be exempt from the requirement of a Partnership Agreement. EFNS believes that it would be devastating for cohesion policy if its design and implementation is done without any



influence from the local and regional levels. It is central that the Partnership Agreement is obligatory for all Member States and that the agreement is formulated as an overarching, strategic document setting the goals of the different programmes and the coordination between the ESI-funds in the different regions. The work on the Partnership Agreement should therefore start at an early stage in direct dialogue with regional authorities responsible for regional development, with adjustments when the EU-wide regulations and budget are finally decided, before the concrete programming starts. When programming starts, it should be characterised by multilevel governance, knowledge, transparency and co-creation. Political representatives from local and regional levels must have real influence and participation in the design and implementation.

- EFNS considers that the Partnership Agreement should be obligatory for all member states and that a national dialogue should start at an early stage in Sweden to bring about a strategic framework before the programming in current programme areas.

### **Synergies between funds gives greater possibilities in northern Sweden**

EFNS welcomes the proposals to create greater potential for synergies between different policy areas, especially between cohesion policy and Horizon Europe, Connecting Europe Facility and the Common Agricultural Policy. In the northern sparsely populated areas with large distances and in some parts negative demographic trends, the need for a holistic approach in regional development, infrastructure, labour market, sustainable urban development and rural development is particularly evident.

In our northern sparsely populated areas with great distances and demographic challenges the need of a holistic view in regional development, infrastructure investments, labour market policy, sustainable urban development and rural development is especially clear. EFNS questions that the rural development fund is not incorporated in the common regulations. Coordination between ERDF, ESF+, EARDF and EMFF is of great importance for the strategic development efforts in northern Sweden, where connections between urban and rural are central.

EFNS is very positive towards the proposal of the Commission that ERDF and ESF+ together can support programmes (multi-fund programmes). Regional economic development and labour markets are in practice tightly connected as labour markets are often regional or local, especially in the northern sparsely populated areas. EFNS welcomes the continued possibility to implement multi-fund programmes through community-led development and integrated territorial investments, as these are possible tools for using ERDF, ESF+ and EARDF in an integrated manner.

In order to achieve effective implementation and region ownership, the regional level must be able to influence and participate in the development of both the Partnership Agreement and the strategic plans that member states need to draw up under the common agricultural policy.

- ENFS is positive towards the possibilities for multi-fund programmes, also through community-led development and integrated territorial investments and encourages the Government of Sweden to enable such programmes in Sweden.



- EFNS considers that the local and regional level should be given influence and participation in the design of both the Partnership Agreement and the strategic plans that member states need to draw up under the common agricultural policy.

### **ESF+ and earmarking requires regional programmes**

EFNS welcomes the proposal by the European Commission that about 25% of the extra allocation for the outermost regions and the northern sparsely populated areas are to go through ESF+ as there is a need to more actively use ESF+ to meet the specific challenges of northern Sweden. Our long geographic distances, the low population density and an ageing population create small and dispersed labour market regions in northern Sweden, which leads to specific challenges in providing for the need for competence for growth in strongly performing place-based industries. The specific challenges of northern Sweden cannot be met by a universal model or “one-size-fits-all”.

EFNS wants that the national programming through the Partnership Agreement clearly shows the regional perspective and ownership of the funds. Successful solutions and activities are completely dependent on the local context. Regional analysis and adaptation are necessary to ensure that projects funded by ESF+ have effect. That is why it is essential that the earmarked funds for northern Sweden really are regional additions through programmes on NUTS 2-level including the mainstream ERDF allocation and the extra allocation through ERDF and ESF+.

EFNS wants to see regional operational programmes for ESF+, including 25% of the extra allocation. The current national ESF-programme is focusing almost exclusively on labour markets. ESF+ should instead be used to strengthen the regional economic and competence development efforts, especially as the national labour market policy is being reorganized.

Moreover EFNS considers, in line with the 2019 European Commission country report for Sweden, that ESF+ should focus on: meeting the current and coming needs of the labour market, improving the utility and labour market relevance of education, and creating flexible opportunities for competence development and re-education considering digital skills, better foresee changes and new demand for competences, easing career changes and promoting professional mobility.

- EFNS welcomes the opportunity that the extra allocation to the northern sparsely populated areas is usable through both ERDF and ESF+.
- EFNS asks that ESF+ should be directed towards regional labour market needs, necessitating regional ESF+ programmes.



## Flexibility enabling investments in infrastructure is imperative in the northern sparsely populated areas

The OECD Territorial Review of the northern sparsely populated areas shows that northern Sweden strongly contributes to Swedish and European growth and that the region has great opportunities to realize further potential if better conditions are created for innovation, if more investments are made in transport and digital infrastructure, and if international cooperation is enhanced. With the proposed requirements for thematic concentration for countries with a GNI-level such as Sweden, it is not possible to use cohesion policy, the most important instrument for regional development, for investments in transport and digital infrastructure that were highlighted as investment priorities in within the EU Arctic policy. In order to be fit for purpose the extra allocation to the northern sparsely populated areas must be given more flexibility.

- EFNS considers that the extra allocation to the northern sparsely populated areas should be exempt from thematic concentration and that investments in transport and digital infrastructure through ERDF is enabled in these areas
- EFNS considers that investments through ERDF in airport infrastructure should also be allowed in the northern sparsely populated areas

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