



**Northern Periphery and  
Arctic Programme**  
2014–2020



**EUROPEAN UNION**

Investing in your future  
European Regional Development Fund

# **Annual Implementation Report**

**within the European Territorial Cooperation goal for the**

## **Northern Periphery and Arctic Programme**

### **2014-2020**

**Reporting year 2019**



## Contents

1. IDENTIFICATION OF THE ANNUAL/FINAL IMPLEMENTATION REPORT .....	3
2. OVERVIEW OF THE IMPLEMENTATION OF THE COOPERATION PROGRAMME .....	4
3. IMPLEMENTATION OF THE PRIORITY AXIS.....	6
3.1 Overview of the implementation .....	6
3.2 Common and programme specific indicators .....	9
3.3 Milestones and targets defined in the performance framework.....	15
3.4 Financial data .....	19
4. SYNTHESIS OF THE EVALUATIONS.....	26
5. ISSUES AFFECTING THE PERFORMANCE OF THE PROGRAMME AND MEASURES TAKEN.....	27
5.1 Issues which affect the performance of the programme and measures taken.....	27
5.2 An assessment of whether progress made towards targets is sufficient to ensure their fulfilment, indicating any remedial actions taken or planned, where appropriate.....	28
6. ADDITIONAL INFORMATION.....	29
6.1 Contribution to macro-regional and sea basin strategies (where appropriate).....	29
7. CITIZENS SUMMARY .....	34



## **1. IDENTIFICATION OF THE ANNUAL/FINAL IMPLEMENTATION REPORT**

CCI	CCI2014TC16RFTN004
Title	Interreg V-B Northern Periphery and Arctic programme
Version	2.0
Reporting year	2019
Date of approval of the report by the monitoring committee	2020-05-XX

## 2. OVERVIEW OF THE IMPLEMENTATION OF THE COOPERATION PROGRAMME

*Key information on the implementation of the operational programme for the year concerned, with reference to the financial and indicator data. (Max length 7 000 characters)*

In March 2019, the Monitoring Committee approved 6 projects out of 25 submitted in the Sixth Call, bringing the total of approved main projects to 50. During the year another 3 preparatory projects were approved, bringing the total number of preparatory projects to 59.

By the end of the year, 51 953 204 or 92% of the total NPA funding for projects was allocated, when taking into account de-commitments from the first finalized projects.

After 6 calls, the allocation is unevenly distributed across the funding sources. Of the ERDF funding, 92% was committed, whilst 98% of the Norwegian, 99% of the Icelandic, 94% of the Faroese and 83% of the Greenlandic funding to projects was committed, although some of the non-member states decided to increase their contribution to the programme in 2017.

The 356 main project beneficiaries are distributed as follows across the three geographical zones of the programme area: 145 partners in Finland, Sweden and Norway, 140 partners in Scotland, Ireland and Northern Ireland and 57 partners in Greenland, Iceland and Faroe Islands, and other countries 14. When looking at the geographical distribution of Lead Partners, the distribution between the three zones is more uneven, mainly because Greenlandic and Faroese partners cannot be Lead Partners.

Seen in relation to the four programme priority axes, by the end of 2019, the highest commitment rate is in Axis 3 (Energy) with 10 main projects and 18 preparatory projects approved and 104% of the ERDF funding committed, followed by Axis 1 (Innovation) with 16 main projects and 19 preparatory projects approved and a commitment rate of 97%. Axis 2 (Entrepreneurship) is the third most popular theme with 14 approved main projects and 14 preparatory projects, and a commitment rate of 86%. The commitment rate for Axis 4 (Sustainability) is at 77% and 10 main and 8 preparatory projects have been approved.

The Seventh Call was launched on 1st July 2019 and closed 30th September. The Terms of Reference for this call were informed by a thematic gap analysis after the Sixth Call and an “experimental approach”, as recommended in the NPA impact evaluation. The Monitoring committee agreed to have three strands:

1. Main project filling gaps in Priority Axis 2, Specific Objective 2.2 and Priority Axis 4.
2. Capitalisation projects, building on existing project results.
3. Disruptive technologies projects, exploring the application of new technologies in existing themes in Priority Axes, 1, 2, and 4



Strands 2 and 3 are a smaller project type, funded through a lump sum principle, based on milestone achievements.

To support applicants, two Facebook live Q&A sessions for applicants were held on 4th July and August 1st. In addition, strand 2 and 3 projects were invited to submit Expressions of Interests to receive feedback and guidance from the Joint Secretariat, prior to the call deadline.

In December 2019, the Monitoring Committee approved 8 more projects out of the 14 submitted in the Seventh Call, bringing the total of approved main projects to 58. These projects were contracted only in 2020 and are for this reason not included in the numbers above.

The overall payment rate of the ERDF by the end of 2019 was that 46,1% of the total NPA budget had been paid, broken down by Priority Axis as follows: PA1 50,2%, PA2 44,9%, PA3 38,4%, PA4 49,1% and PA5 (Technical Assistance) 46,3%.

The NPA addresses the Arctic Dimension as a cross cutting theme. The integrated European Union policy for the Arctic mandated the NPA in 2016 to have a leading role in bringing together a network of managing authorities and stakeholders from cooperation programmes in the European Arctic. In 2019, a wide range of activities was organized jointly by NPA, Interreg Nord, Interreg Botnia-Atlantica, Kolarctic and Karelia CBC ENI.

The highlight of 2019 was the first Arctic Cooperation conference “*What can cooperation programmes do for the Arctic?*” on 18<sup>th</sup> September in Copenhagen. The event showcased the results of the Arctic Cooperation, through concrete project presentations, videos and an exhibition. Approximately 105 people participated, from 12 countries, representing national, regional and local public authorities, as well as members of parliament, representatives of the EU Commission DG Regio, and research organisations. A conference video is available on the NPA website.

The third edition of the Arctic Awards project competition was launched in March, with a deadline late April. The 2019 categories were *Sustainable Use of Resources* and *Arctic Entrepreneurial Spirit*. The Arctic Award ceremony took place during the festive evening reception of the Arctic Cooperation conference on 17th September.

The winner of Category 1, Sustainable Use of Resources, was the BusK project (NPA). The winner of Category 2, Arctic Entrepreneurial Spirit, was Our Stories (Nord). As a prize, the projects received project videos, which were premiered during the award ceremony. The project videos are available on the NPA website.

On behalf of the network, the NPA was invited to speak at the high-level EU Arctic Forum on 3<sup>rd</sup> October in Umeå, Sweden.

The 2nd Clustering Call was open until end of April 2019. Two proposals were approved, Champions for Climate Action (C4CA) and the Arctic Public Services Innovation Cluster (ARCTIC PACER).

Other activities included updating and disseminating the Arctic Cooperation factsheet into a brochure, an extended Arctic Cooperation section on the NPA website and exchanging applications



between programmes to invite feedback on synergies and overlaps.

In connection to the EU’s sea basin strategy for the Atlantic, the NPA participated in the “*Knowledge of the Seas*” network coordinated by Interact, in preparation of a coordinated contribution to the European Maritime Day 2020. The NPA involvement included participating in a joint session with other Interreg projects and NPA projects conducting thematic workshops.

Analysing the programme achievements in relation to targets in the operational programme, it became evident already in the early stages of implementation that forecasts on project outputs deliveries were fairly high in relation to target values set by the programme. By the end of 2019, milestones set for 2018 had been reached for all output indicators and in most cases also final targets for the year 2023 had been exceeded. By organising Project Closure Seminars for each call, the MA and JS provide extensive guidance on how projects should provide robust evidence for their achieved results. As a result, indicator values have decreased somewhat, but not to the extent originally anticipated. For this reason, the MC has approved a revision of output indicators, to be put forward as a programme change in 2020.

### 3. IMPLEMENTATION OF THE PRIORITY AXIS

#### 3.1 Overview of the implementation

ID	Priority axis	Key information on the implementation of the priority axis with reference to key developments, significant problems and steps taken to address these problems. <i>(Max length 1 750 characters)</i>
1	INNOVATION	<p>Seven main projects have been approved in relation to Specific Objective 1.1 (Increased innovation and transfer of new technology to SMEs) under Priority Axis 1. The supported projects are addressing all prioritised actions mentioned in the Cooperation Programme document.</p> <p>Earlier in the year, to encourage applicants to address these actions, these topics have been highlighted in the Terms of Reference for Seventh Call projects, selected in December 2019 and contracted in 2020.</p> <p>Nine main projects are addressing Specific Objective 1.2 (Increased innovation within public service provision) under Priority Axis 1. The supported projects are addressing all prioritised actions mentioned in the Cooperation Programme document.</p>
2	ENTREPRENEURSHIP	<p>Nine main projects are addressing Specific Objective 2.1 (Improved support systems tailored for start-ups and</p>



		<p>existing SMEs) in Priority Axis 2. In this specific objective, all actions have been fulfilled.</p> <p>Five main projects are addressing Specific Objective 2.2 (Greater market reach beyond local market for SMEs) under Priority Axis 2. Three more projects addressing greater market reach beyond local market for SMEs were needed. The 7<sup>th</sup> call TOR encouraged main project proposal for this specific objective and 3 projects were selected in December 2019 and later contracted in 2020.</p>
3	RENEWABLES AND ENERGY EFFICIENCY	Ten main projects have been approved in this Priority Axis. The supported projects are addressing all three types of prioritised actions mentioned in the Cooperation Programme document.
4	PROTECTING, DEVELOPING AND PROMOTING NATURAL AND CULTURAL HERITAGE	Ten main projects have been approved in this Priority Axis. The supported projects are addressing all prioritised actions mentioned in the Cooperation Programme document. This topic was highlighted in the Terms of Reference for Seventh Call projects, one project was selected in December 2019 and later contracted in 2020.
5	TECHNICAL ASSISTANCE	<p>The Technical Assistance budget consists of the below programme bodies and cost items:</p> <ul style="list-style-type: none"> <li>- Joint Secretariat</li> <li>- Managing Authority</li> <li>- Certifying Authority</li> <li>- Audit Authority</li> <li>- MC meetings</li> <li>- Regional Contact Points</li> <li>- Greenland Travel Fund</li> <li>- Other costs (including seminars and networks, promotion material, partenariats, IT, database and monitoring system and evaluation)</li> </ul> <p>All cost related to technical assistance are transmitted into the accounts of and reported by the Managing Authority.</p> <p>In the first years of NPA 2014-2020 implementation, the NPP 2007-2013 budget was used for the programme closure. This fact, in combination with vacancies at the Managing Authority, delayed invoicing from some of the programme bodies and for the development of the monitoring system (eMS) contributed to an underspending in the first years of programme implementation. In 2019 the TA spending has caught up</p>



		<p>and is expected to be accurate over time.</p> <p>The development of eMS has been a large task in the first years of programme implementation and by the end of 2017 project applicants applied online, the eligibility check, appraisals by Regional Advisory Groups, the quality assessment and the contracting took place in the system. Furthermore the reporting and other modules to process and pay project claims are in place and the rate of payments has increased after having made the first payments in November 2016 and is at a satisfactory stage. In total 23,12 million EUR, or 46% of the allocated funding (including TA), has been paid by the end of 2019.</p> <p>There have not been any problems experienced in relation to TA expenditure. At its meeting in December the Management Group was informed that approximately 49 % of the total TA budget had been spent.</p>
--	--	--





### **3.2 Common and programme specific indicators**

Information on common and programme specific indicators per priority axis are reported on yearly, these are displayed in table 2<sup>1</sup>.

In table 2 the cumulative value of outputs to be delivered by selected operations is equal to the expected results of approved projects at application stage, a forecast provided by beneficiaries. The 2019 values for outputs delivered by operations are actual achievements, values reported by all projects by the end of 2019.

---

<sup>1</sup> The numbering of tables follows the numbering in the Commission electronic system SFC.



**Table 2: Common and programme specific output indicators**

	ID	Priority	Investment priority	Indicator (name of indicator)	Measurement unit	Target value <sup>2</sup> (2023)	CUMULATIVE VALUES	
							2015-2018 T	2019 T
Outputs delivered by operations (achievement)	C001	INNOVATION	1B	Number of enterprises receiving support	Enterprises	32	141	142
Outputs to be delivered by selected operations (forecast)	C001	INNOVATION	1B	Number of enterprises receiving support	Enterprises	32	50	72
Outputs delivered by operations (achievement)	C026	INNOVATION	1B	Number of enterprises cooperating with research institutions	Enterprises	16	194	223
Outputs to be delivered by selected operations (forecast)	C026	INNOVATION	1B	Number of enterprises cooperating with research institutions	Enterprises	16	240	320

<sup>2</sup> Targets are optional for technical assistance priority axes



Outputs delivered by operations (achievement)	C001	ENTREPRENEURSHIP	3A	Number of enterprises receiving support	Enterprises	16	1 059	1 082
Outputs to be delivered by selected operations (forecast)	C001	ENTREPRENEURSHIP	3A	Number of enterprises receiving support	Enterprises	16	604	664
Outputs delivered by operations (achievement)	C028	ENTREPRENEURSHIP	3A	Number of enterprises supported to introduce new to the market products	Enterprises	8	75	75
Outputs to be delivered by selected operations (forecast)	C028	ENTREPRENEURSHIP	3A	Number of enterprises supported to introduce new to the market products	Enterprises	8	49	49
Outputs delivered by operations (achievement)	C001	ENTREPRENEURSHIP	3D	Number of enterprises receiving support	Enterprises	16	248	248



Outputs to be delivered by selected operations (forecast)	C001	ENTREPRENEURSHIP	3D	Number of enterprises receiving support	Enterprises	16	68	88
Outputs delivered by operations (achievement)	C028	ENTREPRENEURSHIP	3D	Number of enterprises supported to introduce new to the market products	Enterprises	8	117	117
Outputs to be delivered by selected operations (forecast)	C028	ENTREPRENEURSHIP	3D	Number of enterprises supported to introduce new to the market products	Enterprises	8	73	93
Outputs delivered by operations (achievement)	C031	RENEWABLES AND ENERGY EFFICIENCY	4C	Number of households with improved energy consumption classification	Households	250	7 562	4 552
Outputs to be delivered by selected operations (forecast)	C031	RENEWABLES AND ENERGY EFFICIENCY	4C	Number of households with improved energy consumption classification	Households	250	4 778	4 803



Outputs delivered by operations (achievement)	C042	PROTECTING, DEVELOPING AND PROMOTING NATURAL AND CULTURAL HERITAGE	6C	Productive investment: Number of research institutions participating in cross-border, transnational or interregional research projects	Organizations	11	9	18
Outputs to be delivered by selected operations (forecast)	C042	PROTECTING, DEVELOPING AND PROMOTING NATURAL AND CULTURAL HERITAGE	6C	Productive investment: Number of research institutions participating in cross-border, transnational or interregional research projects	Organizations	11	45	45
Outputs delivered by operations (achievement)	4	PROTECTING, DEVELOPING AND PROMOTING NATURAL AND CULTURAL HERITAGE	6C	Number of organizations introducing a decision-making tool or governance	Organizations	22	5	10



				concept facilitating sustainable environmental management				
Outputs to be delivered by selected operations (forecast)	4	PROTECTING, DEVELOPING AND PROMOTING NATURAL AND CULTURAL HERITAGE	6C	Number of organizations introducing a decision-making tool or governance concept facilitating sustainable environmental management	Organizations	22	39	39



### 3.3 Milestones and targets defined in the performance framework

*Milestones and targets defined in the performance framework are reported in annual implementation reports from 2017 onwards<sup>3</sup>. The figures for the years are values achieved, cumulative values both for output indicators and financial indicators.*

Values in table 3 should be understood according to EU 2018/276: *“The milestone and target for an output indicator shall refer to the values achieved by operations, where all the actions leading to outputs have been implemented in full, but for which not all the related payments have necessarily been made, or to the values achieved by operations which have been started, but where some of the actions leading to outputs are still ongoing, or to the both.”*

At its meeting on March 13-14 2019, the Monitoring Committee decided to increase target values for some of the output indicators to a level which is more in line with what beneficiaries are reporting and more realistic as compared to the modest initial target values. In table 3, however, the original target values are displayed since the formal update of the programme document has not yet been effectuated.

---

<sup>3</sup> In table 3 break down by gender is to be used in the relevant fields only if it has been included in the Table 6 of the OP. Otherwise use T = total



**Table 3: Information on the milestones and targets defined in the performance framework**

Priority Axis	Indicator type	ID	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018 T	Final target (2023) T	16 T	17 T	18 T	19 T	Observations (if necessary)
1	Output	C1	Number of enterprises receiving support	Enterprises	6	32	0	56	141	142	Target value to be updated in 2020
1	Output	C26	Number of enterprises cooperating with research institutions	Enterprises	3	16	0	141	194	223	Target value to be updated in 2020
2	Output	C1	Number of enterprises receiving support	Enterprises	6	32	0	432	1 059	1 330	Target value to be updated in 2020
2	Output	C28	Number of enterprises supported to introduce new to the market products	Enterprises	3	16	0	135	192	192	Target value to be updated in 2020
3	Output	C31	Number of households with improved energy consumption classification	Households	50	250	0	3 316	7 562	4 552	It was discovered that one project, due to a bug in the monitoring system, reported the same output indicator values twice and thereby creating an inflation of figures in interim reports. This was corrected in the projects final report, which is the explanation for the decrease in values for 2019 as compared to 2018. In 2020 the programme administration will suggest a programme update to the Monitoring Committee, increasing the target values for common indicator 31.





Priority Axis	Indicator type	ID	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018 T	Final target (2023) T	16 T	17 T	18 T	19 T	Observations (if necessary)
4	Output	C42	Number of research institutions participating in crossborder, transnational or inter-regional research projects	Organizations	2	11	0	2	9	18	
4	Output	Programme-specific	Number of organizations introducing a decision-making tool or governance concept facilitating sustainable environmental management	Organizations	4	22	0	0	5	10	
Priority Axis	Indicator type	ID	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018 T	Final target (2023) T	16 T	17 T	18 T	19 T	Observations (if necessary)



1	Financial		Total certified expenditure for Priority axis 1 (ERDF + national contribution)	EUR	3 267 506 (15% of final target)	21 783 372	39 532 (0,2% of final target)	3 655 684 (16,8% of final target)	7 356 560 (33,8% of final target)	11 013 265 (50,6% of final target)	
2	Financial		Total certified expenditure for Priority axis 2 (ERDF + national contribution)	EUR	3 267 506 (15% of final target)	21 783 372	176 412 (0,8% of final target)	3 892 396 (17,9% of final target)	7 186 386 (33% of final target)	9 969 982 (45,6% of final target)	
3	Financial		Total certified expenditure for Priority axis 3 (ERDF + national contribution)	EUR	2 178 337 (15% of final target)	14 522 247	300 730 (2,1% of final target)	1 084 097 (7,5% of final target)	3 207 496 (22,1% of final target)	5 626 557 (38,7% of final target)	The number of approved projects in Priority Axis 3 has been lower than in other Priority Axes. To address the unbalance, the Monitoring Committee focused the Third Call exclusively on PA 3 and 4. However, even after that approvals in PA 3 have lagged behind, only balancing out with the other Priority Axes in the Sixth Call. This has had consequences for the uptake of funds, because projects in this axis are less mature, and have therefore not yet claimed as large a share of their budget as projects in other Priority Axes. It is expected that this will balance out later in the programme implementation.
4	Financial		Total certified expenditure for Priority axis 4 (ERDF + national contribution)	EUR	2 178 337 (15% of final target)	14 522 247	86 952 (0,6% of final target)	816 727 (5,6% of final target)	3 281 992 (22,6% of final target)	7 190 153 (49,5% of final target)	



### 3.4 Financial data

**Table 4: Financial information at priority axis and programme level**

1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.
Cumulative data on the financial progress of the operational programme										
Priority axis	Fund	Basis for the calculation of Union support <i>(Total or public)</i>	Total funding (EUR)	Co-financing rate (%)	Total eligible cost of operations selected for support (EUR)	Proportion of the total allocation covered with selected operations (%) <i>[column 6/column 4 × 100]</i>	Public eligible cost of operations selected for support (EUR) <i>[column 6 minus private financing]</i>	Total eligible expenditure declared by beneficiaries to the managing authority	Proportion of the total allocation covered by eligible expenditure declared by beneficiaries (%) <i>[column 9/column 4 × 100]</i>	Number of operations selected
INNOVATION	ERDF	Total	21 783 372	65%	21 466 967	98,55%	21 211 683	11 013 265	50,56%	35
ENTREPRENEURSHIP	ERDF	Total	21 783 372	65%	19 160 014	87,96%	18 303 703	9 969 982	45,77%	28
ENERGY	ERDF	Total	14 522 247	65%	15 337 312	105,61%	14 901 558	5 626 557	38,74%	28
SUSTAINABILITY	ERDF	Total	14 522 247	65%	11 249 355	77,46%	11 249 355	7 190 153	49,51%	18
TECHNICAL ASSISTANCE	ERDF	Total	6 025 186	50%	6 025 186	100,00%	6 025 186	2 789 120	46,29%	3
<b>TOTAL</b>	<b>ERDF</b>		<b>78 636 424</b>	<b>63,85%</b>	<b>73 238 834</b>	<b>93,14%</b>	<b>71 691 485</b>	<b>36 589 077</b>	<b>46,53%</b>	<b>112</b>

### **Contribution from third countries**

In addition to the ERDF financing in table 4, the non-member state contribution to the programme is 10 409 523 Euro, including 1 199 830 Euro for Technical Assistance. The budgeted ERDF equivalent funding to priority Axes 1-4 is 9 209 693 Euro, of which a total of 8 844 879 Euro or 96 % has been committed by end of 2019, which is a higher commitment rate than for the ERDF funding.

The distribution of ERDF equivalent funding between non-member states and priority axis is described below (all figures in Euro):

#### Norwegian ERDF equivalent funding:

Priority axis 1: 1 638 169

Priority axis 2: 1 113 482

Priority axis 3: 353 243

Priority axis 4: 1 615 222

**TOTAL: 4 720 116 Euro**

The total Norwegian budget allocation to the programme for priority Axes 1-4 is 4 840 000 Euro and the intervention rate for Norwegian partners is 50%.

#### Icelandic ERDF equivalent funding:

Priority axis 1: 752 327

Priority axis 2: 587 346

Priority axis 3: 538 189

Priority axis 4: 798 668

**TOTAL: 2 676 530 Euro**

The total Icelandic budget allocation to the programme for priority Axes 1-4 is 2 706 794 Euro and the intervention rate for Icelandic partners is 60%.

#### Faroese ERDF equivalent funding:

Priority axis 1: 55 174

Priority axis 2: 156 296

Priority axis 3: 167 222

Priority axis 4: 308 879

**TOTAL: 687 571 Euro**

The total Faroese budget allocation to the programme for priority Axes 1-4 is 735 356 Euro and the intervention rate for Faroese partners is 65%.

#### Greenlandic ERDF equivalent funding:

Priority axis 1: -

Priority axis 2: 480 361

Priority axis 3: 110 211



**Northern Periphery and  
Arctic Programme**  
2014–2020



**EUROPEAN UNION**

Investing in your future  
European Regional Development Fund

Priority axis 4: 170 090

**TOTAL: 760 662 Euro**

The total Greenlandic budget allocation to the programme for priority Axes 1-4 is 927 543 Euro and the intervention rate for Greenlandic partners is 65%.

The total ERDF equivalent funding from non-member states is distributed across the priority axis according to the below:

Priority axis 1: 2 445 670

Priority axis 2: 2 337 485

Priority axis 3: 1 168 865

Priority axis 4: 2 892 859

**TOTAL: 8 844 879 Euro**



**Table 5: Breakdown of the cumulative financial data by category of intervention for the ERDF (art 112.1 and 112.2 in 1203/2013 and art 5 in 1304/2014)**  
*The table is a print screen of Information entered into the Commission electronic monitoring system SFC.*

PRIORITY AXIS	FUND	INTERVENTION FIELD	FORM OF FINANCE	TERRITORIAL DIMENSION	TERRITORIAL DELIVERY MECHANISM	THEMATIC OBJECTIVE DIMENSION	ESF SECONDARY THEMES	ECONOMIC DIMENSION	LOCATION DIMENSION	TOTAL ELIGIBLE COST OF OPERATIONS SELECTED FOR SUPPORT	PUBLIC ELIGIBLE COST OF OPERATIONS SELECTED FOR SUPPORT	TOTAL ELIGIBLE EXPENDITURE DECLARED BY BENEFICIARIES TO THE MANAGING AUTHORITY	NUMBER OF OPERATIONS SELECTED
1	ERDF	055	01	07	07	01		12	UKM6	2,279,499.42	2,202,125.93	1,155,488.46	1
1	ERDF	055	01	07	07	01		18	IE011	45,000.00	45,000.00	0.00	1
1	ERDF	055	01	07	07	01		20	SE33	1,506,987.13	1,506,987.13	837,035.61	1
1	ERDF	055	01	07	07	01		20	UKN05	44,989.71	42,533.30	44,989.71	1
1	ERDF	055	01	07	07	01		21	UKM6	45,000.00	45,000.00	45,000.00	1
1	ERDF	062	01	07	07	01		02	FI193	1,408,682.58	1,408,682.58	0.00	1
1	ERDF	062	01	07	07	01		02	IS	521,426.22	521,426.22	498,723.86	1
1	ERDF	062	01	07	07	01		02	NO07	175,788.94	175,788.94	175,788.99	1
1	ERDF	062	01	07	07	01		02	UKM64	1,660,670.60	1,575,061.60	24,130.00	2
1	ERDF	062	01	07	07	01		07	UKN0	1,904,784.50	1,904,784.50	435,585.66	1
1	ERDF	062	01	07	07	01		11	FI1D	84,855.61	82,364.36	84,855.61	2
1	ERDF	062	01	07	07	01		13	UKN04	45,000.00	45,000.00	45,000.00	1
1	ERDF	062	01	07	07	01		15	UKM6	27,143.00	27,143.00	27,143.00	1
1	ERDF	062	01	07	07	01		23	FI1D	21,000.00	21,000.00	21,000.00	1
1	ERDF	063	01	07	07	01		02	FI1D	23,482.31	20,355.64	23,482.31	1
1	ERDF	063	01	07	07	01		02	UKM2	17,322.32	12,698.78	17,322.31	1
1	ERDF	063	01	07	07	01		03	IS	234,631.63	234,631.63	230,073.08	1
1	ERDF	063	01	07	07	01		24	UKN0	1,405,402.88	1,405,402.88	1,405,403.08	1
1	ERDF	064	01	07	07	01		22	IE011	1,592,723.00	1,592,723.00	83,742.97	1
1	ERDF	065	01	07	07	01		21	SE312	36,785.50	36,785.50	36,785.50	1
1	ERDF	065	01	07	07	01		24	FI1D	1,631,429.66	1,557,050.43	1,624,660.38	1
1	ERDF	081	01	07	07	01		13	FI1D	39,996.54	39,996.54	39,996.54	1
1	ERDF	081	01	07	07	01		18	IE01	1,102,630.42	1,102,630.42	1,102,630.67	1
1	ERDF	081	01	07	07	01		20	FI1D	44,994.50	44,994.50	44,994.50	1
1	ERDF	081	01	07	07	01		20	IE02	23,294.00	21,294.00	23,294.00	1
1	ERDF	081	01	07	07	01		20	NO07	1,008,848.50	1,008,848.50	1,008,848.63	1
1	ERDF	081	01	07	07	01		20	SE33	1,303,458.99	1,303,458.99	1,303,459.20	1
1	ERDF	081	01	07	07	01		20	UKN0	44,993.05	44,993.05	44,993.05	1
1	ERDF	081	01	07	07	01		20	UKN04	1,522,870.23	1,519,645.23	27,319.65	2
1	ERDF	081	01	07	07	01		21	FI1D	89,919.12	89,919.12	89,919.12	2
1	ERDF	081	01	07	07	01		21	UKN0	1,573,356.80	1,573,356.80	511,598.82	1
2	ERDF	066	01	07	07	03		01	FI1D	1,901,020.81	1,745,590.48	1,118,511.19	1
2	ERDF	066	01	07	07	03		15	FI1D	61,756.38	61,756.38	61,756.38	2
2	ERDF	066	01	07	07	03		15	IE02	986,290.58	822,861.31	950,031.63	1



PRIORITY AXIS	FUND	INTERVENTION FIELD	FORM OF FINANCE	TERRITORIAL DIMENSION	TERRITORIAL DELIVERY MECHANISM	THEMATIC OBJECTIVE DIMENSION	ESF SECONDARY THEMES	ECONOMIC DIMENSION	LOCATION DIMENSION	TOTAL ELIGIBLE COST OF OPERATIONS SELECTED FOR SUPPORT	PUBLIC ELIGIBLE COST OF OPERATIONS SELECTED FOR SUPPORT	TOTAL ELIGIBLE EXPENDITURE DECLARED BY BENEFICIARIES TO THE MANAGING AUTHORITY	NUMBER OF OPERATIONS SELECTED
2	ERDF	066	01	07	07	03		15	UKM6	1,198,691.32	1,198,691.32	1,198,691.57	1
2	ERDF	066	01	07	07	03		23	IE01	1,633,755.16	1,633,755.16	1,633,755.35	1
2	ERDF	066	01	07	07	03		24	F1D	1,690,099.04	1,575,545.29	0.00	1
2	ERDF	067	01	07	07	03		04	NO053	1,114,661.53	1,114,661.53	0.00	1
2	ERDF	067	01	07	07	03		15	F1D	1,007,401.12	999,121.12	0.00	1
2	ERDF	067	01	07	07	03		21	F1D	1,299,302.47	1,299,302.47	1,295,156.97	1
2	ERDF	067	01	07	07	03		21	IE01	40,788.38	40,788.38	0.00	1
2	ERDF	067	01	07	07	03		23	NO05	925,155.64	777,361.72	925,155.78	1
2	ERDF	067	01	07	07	03		24	IE01	1,368,601.20	1,292,787.10	1,367,257.65	1
2	ERDF	067	01	07	07	03		24	IE013	1,143,256.72	974,740.05	37,752.34	2
2	ERDF	067	01	07	07	03		24	SE110	36,210.00	36,210.00	36,210.00	1
2	ERDF	067	01	07	07	03		24	SE33	91,343.00	88,850.00	91,343.00	2
2	ERDF	071	01	07	07	03		22	IE013	45,000.00	45,000.00	45,000.00	1
2	ERDF	071	01	07	07	03		22	UKM6	875,362.43	875,362.43	875,362.52	1
2	ERDF	072	01	07	07	03		03	F1D	26,152.77	26,152.77	26,152.77	1
2	ERDF	073	01	07	07	03		21	UKN0	41,682.95	41,682.95	41,682.95	1
2	ERDF	073	01	07	07	03		24	NO073	17,480.00	17,480.00	17,480.00	1
2	ERDF	076	01	07	07	03		15	UKN05	1,996,688.94	1,976,688.94	218,219.07	2
2	ERDF	076	01	07	07	03		23	SE33	30,463.27	30,463.27	30,463.27	1
2	ERDF	076	01	07	07	03		23	UKM62	22,407.90	22,407.90	0.00	1
2	ERDF	082	01	07	07	03		13	IE013	1,606,442.58	1,606,442.58	0.00	1
3	ERDF	013	01	07	07	04		22	F1D	3,528,924.17	3,425,677.85	1,894,021.13	6
3	ERDF	013	01	07	07	04		22	IE01	1,645,523.00	1,645,523.00	1,224,061.32	2
3	ERDF	013	01	07	07	04		22	IE011	1,218,653.98	1,218,653.98	36,648.00	2
3	ERDF	013	01	07	07	04		22	IE02	37,546.95	37,546.95	37,546.95	1
3	ERDF	013	01	07	07	04		22	IE025	1,096,507.96	1,096,507.96	36,300.00	2
3	ERDF	013	01	07	07	04		22	NO07	6,927.91	6,927.91	6,927.91	1
3	ERDF	013	01	07	07	04		22	UKM61	29,893.56	26,147.03	29,893.56	1
3	ERDF	013	01	07	07	04		22	UKN0	26,340.61	26,340.61	26,340.61	1
3	ERDF	013	01	07	07	04		22	UKN01	1,850,515.32	1,724,490.53	190,775.06	1
3	ERDF	013	01	07	07	04		22	UKN04	37,426.24	35,557.36	37,426.24	1
3	ERDF	013	01	07	07	04		24	F1D	34,250.24	34,250.24	34,250.24	1
3	ERDF	014	01	07	07	04		10	F1D	1,779,836.55	1,779,836.55	488,445.85	1
3	ERDF	014	01	07	07	04		10	UKM2	1,438,209.51	1,358,280.32	1,434,627.01	1
3	ERDF	014	01	07	07	04		10	UKM61	1,314,882.82	1,200,944.88	0.00	1
3	ERDF	014	01	07	07	04		22	FI193	30,000.00	28,500.00	30,000.00	1
3	ERDF	014	01	07	07	04		22	F1D	45,000.00	45,000.00	45,000.00	1
3	ERDF	014	01	07	07	04		22	IE011	1,110,039.40	1,110,039.40	0.00	1
3	ERDF	014	01	07	07	04		22	IE023	35,250.80	35,250.80	35,250.80	1
3	ERDF	014	01	07	07	04		22	UKM64	39,042.50	33,542.50	39,042.50	1



PRIORITY AXIS	FUND	INTERVENTION FIELD	FORM OF FINANCE	TERRITORIAL DIMENSION	TERRITORIAL DELIVERY MECHANISM	THEMATIC OBJECTIVE DIMENSION	ESF SECONDARY THEMES	ECONOMIC DIMENSION	LOCATION DIMENSION	TOTAL ELIGIBLE COST OF OPERATIONS SELECTED FOR SUPPORT	PUBLIC ELIGIBLE COST OF OPERATIONS SELECTED FOR SUPPORT	TOTAL ELIGIBLE EXPENDITURE DECLARED BY BENEFICIARIES TO THE MANAGING AUTHORITY	NUMBER OF OPERATIONS SELECTED
3	ERDF	014	01	07	07	04		24	UKM62	32,540.00	32,540.00	0.00	1
4	ERDF	085	01	07	07	06		11	UKM6	45,000.00	45,000.00	44,999.99	1
4	ERDF	085	01	07	07	06		18	FI1D	1,282,809.93	1,282,809.93	792,147.62	1
4	ERDF	085	01	07	07	06		22	FI1D	22,890.60	22,890.60	22,890.60	1
4	ERDF	085	01	07	07	06		23	UKN0	1,274,697.06	1,274,697.06	1,274,697.27	1
4	ERDF	085	01	07	07	06		24	IE01	1,085,075.89	1,085,075.89	800,380.99	1
4	ERDF	087	01	07	07	06		11	FI1D	1,707,329.36	1,707,329.36	873,562.85	2
4	ERDF	087	01	07	07	06		18	FI1D	27,877.86	27,877.86	27,877.86	1
4	ERDF	087	01	07	07	06		22	UKM2	350,743.04	350,743.04	102,660.65	1
4	ERDF	087	01	07	07	06		22	UKN0	1,208,059.72	1,208,059.72	603,736.55	1
4	ERDF	087	01	07	07	06		22	UKN03	38,401.40	38,401.40	38,401.40	1
4	ERDF	088	01	07	07	06		22	FI1D	945,673.33	945,673.33	458,761.99	1
4	ERDF	088	01	07	07	06		22	SE11	1,195,228.81	1,195,228.81	1,195,229.04	1
4	ERDF	095	01	07	07	06		15	NO05	3,200.71	3,200.71	3,200.71	1
4	ERDF	095	01	07	07	06		22	NO07	838,671.94	838,671.94	202,395.23	1
4	ERDF	095	01	07	07	06		22	SE33	34,600.00	34,600.00	34,600.00	1
4	ERDF	095	01	07	07	06		22	UKM2	28,173.38	28,173.38	28,173.38	1
4	ERDF	095	01	07	07	06		22	UKM6	1,160,922.31	1,160,922.31	686,436.88	1
5	ERDF	121	01	07	07			18	SE33	5,151,536.00	5,151,536.00	2,384,698.31	1
5	ERDF	122	01	07	07			18	SE33	120,504.00	120,504.00	55,782.52	1
5	ERDF	123	01	07	07			18	SE33	753,146.00	753,146.00	348,638.93	1





**Table 6: Cost of operations implemented outside the programme area (the ERDF and the Cohesion fund under the Investment for growth and jobs goal)**

The table is a print screen of Information entered into the Commission electronic monitoring system SFC.

1 OPERATION(S)(2)	2 THE AMOUNT OF ERDF SUPPORT (1) ENVISAGED TO BE USED FOR ALL OR PART OF AN OPERATION IMPLEMENTED OUTSIDE THE UNION PART OF THE PROGRAMME AREA BASED ON SELECTED OPERATIONS (EUR)	3 SHARE OF THE TOTAL FINANCIAL ALLOCATION TO ALL OR PART OF AN OPERATION LOCATED OUTSIDE THE UNION PART OF THE PROGRAMME AREA (%) (COLUMN 2/TOTAL AMOUNT ALLOCATED TO THE SUPPORT FROM THE ERDF AT PROGRAMME LEVEL*100)	4 ELIGIBLE EXPENDITURE OF ERDF SUPPORT INCURRED IN ALL OR PART OF AN OPERATION IMPLEMENTED OUTSIDE THE UNION PART OF THE PROGRAMME AREA DECLARED BY THE BENEFICIARY TO THE MANAGING AUTHORITY (EUR)	5 SHARE OF THE TOTAL FINANCIAL ALLOCATION TO ALL OR PART OF AN OPERATION LOCATED OUTSIDE THE UNION PART OF THE PROGRAMME AREA (%) (COLUMN 4/TOTAL AMOUNT ALLOCATED TO THE SUPPORT FROM THE ERDF AT PROGRAMME LEVEL*100)
A:Eye	3,475.00	0.01%	3,475.00	0.01%
ADAPT Northern Heritage	227,982.97	0.45%	66,729.41	0.13%
AINNPA	5,248.90	0.01%	5,248.90	0.01%
ARCTIC CLUSTER	3,250.00	0.01%	3,250.00	0.01%
ARCTIC PACER	6,207.50	0.01%	0.00	
ARCTISEN	173,323.00	0.35%	0.00	
Adapt	18,312.70	0.04%	18,312.69	0.04%
BCE	325,869.11	0.65%	0.00	
CEREAL	13,296.84	0.03%	5,971.39	0.01%
CINE	201,425.04	0.40%	62,438.72	0.12%
Circular Ocean	198,344.00	0.40%	198,040.42	0.39%
Connected North	9,674.00	0.02%	9,673.95	0.02%
Craft Reach	147,793.92	0.29%	147,793.89	0.29%
Drifting Apart	238,300.00	0.47%	237,354.84	0.47%
EMERGREEN	159,905.20	0.32%	9,009.38	0.02%
Energy Pathfinder	181,131.92	0.36%	0.00	
FOBIA	179,899.80	0.36%	75,492.86	0.15%
FREED	260,834.00	0.52%	243,900.25	0.49%
H- CHP	109,525.00	0.22%	8,798.63	0.02%
HUGE	92,727.70	0.18%	0.00	
LECo	178,093.15	0.35%	39,522.15	0.08%
Making it work	201,032.00	0.40%	109,503.71	0.22%
N- EEC	5,265.00	0.01%	5,265.00	0.01%
NEES2	6,463.59	0.01%	6,463.59	0.01%
Option	5,838.91	0.01%	5,838.91	0.01%
PAL	3,225.00	0.01%	3,225.00	0.01%
Pre-Lighthouse	4,903.57	0.01%	4,903.56	0.01%
ReewiseVillage	3,900.00	0.01%	3,900.00	0.01%
RemoAge	92,508.00	0.18%	57,876.70	0.12%
SECURE	65,991.70	0.13%	50,342.96	0.10%
SHAPE	51,368.18	0.10%	36,788.39	0.07%
SMARTrenew	120,575.00	0.24%	0.00	
SW-GROW	217,750.76	0.43%	0.00	
Spara2020	255,341.54	0.51%	141,965.66	0.28%
WATERPRO	130,068.36	0.26%	10,523.52	0.02%
WaterPro, Prep	2,925.00	0.01%	2,925.00	0.01%

## 4. SYNTHESIS OF THE EVALUATIONS

*Synthesis of the findings of all evaluations of the programme that have become available during the previous financial year, including the name and reference period of the evaluation reports used.*

*Max length 10 500 characters.*

In 2018, an impact evaluation of the NPA was carried out by the European Policies Research Centre (EPRC) at the University of Strathclyde and Nathalie Wergles, an EPRC associate.

The evaluation looked into the impact of the programme for each of the 6 specific objectives, through selected case study regions and projects. Besides interviews, the evaluators also sent an online survey to NPP 2007-2013 projects that were part of the previously conducted Achievements study to follow up on what happened to their outputs. This helped inform conclusions for the current programme impacts. Finally, a focus group meeting with regional experts was held in conjunction with the NPA Annual Event in September 2018 in Inverness.

The evaluation working group EVA oversaw the process on behalf of the Monitoring Committee, from the kick-off meeting in January 2018, to the inception report, several rounds of written input, and finally a meeting in November 2018. The evaluators also provided updates at the Monitoring Committee meeting in June 2018 in Kirkenes, at the NPA Annual Conference, and via Skype at the Management Group meeting in December 2018.

Besides conclusions on the programme's impact inside the 6 specific objectives, the report "An impact evaluation of the Northern Periphery and Arctic Programme 2014-2020" also looked at the implementation of the horizontal principles, the Arctic Cooperation, macro regional and sea basin strategies, as well as preparations for post-2020. The final evaluation report was approved by the Monitoring Committee in a Written Procedure in January 2019.

In the report, a range of impacts are described: new SME links to R&D institutes/public sector supporting economic development, new business growth opportunities, improved service provision to remote communities, changing attitudes and perceptions, future oriented strategic partnerships and transnational links as well as growing local capacity to engage with macro development issues. The evaluators conclude that the NPA delivers impact for a range of beneficiaries at a variety of different levels and the transnational dimension brings a distinct added value to stakeholders.

The impacts of the programme are anticipated to grow/persist according to the impact evaluation. Results are being produced that target specific development needs on the ground as well as wider strategic issues of relevance to local and regional development in the area.

The impact evaluation also provided recommendations on further actions to be taken by the programme to maximise ongoing impact and prepare for the future. Peer learning, exploration of synergies with other programmes and funding instruments, capacity building and integration of new partners are high-lighted. In terms of a future programme recommendations include a continued focus on niche topics related to the specific geographical characteristics of the programme area, strengthening and greater definition of the Arctic dimension as well as integration of "near neighbours" and retaining sufficient flexibility for bottom-up development of projects.

One recommendation was followed up already in 2019. The evaluators concluded that due to the fact that the Programme has already covered most activities, ensured a balanced participation across the programme area, reached out to target groups identified in the programme strategy and is expected to exceed output indicator targets, there is leeway for the last call to be more experimental, and less focused on filling gaps. This recommendation was taken to heart in the design of the Seventh Call, where besides regular projects filling remaining gaps (strand 1), the call opened 2 additional strands targeting capitalisation projects (strand 2), and projects exploring the application of disruptive technologies in existing themes (strand 3).

Besides the call, the document has proven to be a useful tool in discussions about the future programme NPA 2021-2027, in particular, the recognition of the Programme's contribution to the EU Arctic Policy. In addition, the Interact programme views the document as a best practice evaluation report, and will feature the NPA evaluation experience in an online training course about programme evaluations.

## **5. ISSUES AFFECTING THE PERFORMANCE OF THE PROGRAMME AND MEASURES TAKEN**

### **5.1 Issues which affect the performance of the programme and measures taken**

*Max length 7000 characters*

No major problems have been identified in relation to the performance of the programme and expected results. The audit authority has not highlighted any serious problems in conjunction to their procedures according to article 124.2 in EU regulation 1303/2014.

Extensions previously granted to projects from earlier calls and delays in reporting meant that in 2019, projects from 6 calls were up and running at the same time. Besides late final payments for projects, the impact of the delays can also be felt in the work load for the Joint Secretariat, Managing Authority and the First Level Controllers.

Nevertheless, project closure speeded up during 2019, with 15 projects receiving their final payment in 2019, reaching a total of 18 finalised projects by the end of the year.

So far, the delays had no serious impacts on the achievement of the performance framework, and programme spending targets.

The uncertainties related to Brexit caused concerns for the programme administration but the interest among project applicants has not decreased, nor has the uncertainties seemed to affect the implementation in existing projects in any serious way.

## 5.2 An assessment of whether progress made towards targets is sufficient to ensure their fulfilment, indicating any remedial actions taken or planned, where appropriate.

*Max length 3500 characters*

In 2019, the programme reached the peak of 35 ongoing projects implementing at the same time. Late 2019, the number of ongoing projects started to drop due to projects finalising.

Currently, progress being made towards targets is sufficient to ensure their fulfilment. The number of projects and allocation of funds in 2019 is at a satisfactory level. The quality of applications is considered to be good and the projects are expected to contribute to the programme targets.

Delays in the implementation of first and second call projects meant that during 2019, projects from calls 1 to 6 were implementing at the same time. In order to ensure a smooth final reporting process and to instruct projects how to provide robust evidence for the achieved project outputs, the Joint Secretariat and Managing Authority continued the practice of organising closure seminars for each call, in October 2019 for the 4<sup>th</sup> call.

In relation to the performance framework, there were some delays in implementation in the early stages of the programme period, due to the low number of approved projects in priority axes 3 and 4 in the first two calls. To address this, the MC decided to hold a focused call only addressing PA 3 and 4, thereby increasing the allocation rate for these axes. It has taken some time for these projects to catch up but by the end of December 2019 the certified expenditure for PA4 was at 49,5% of the final target, which is even higher than the average for all priority axes. For P3 the certified expenditure is at 38,7%. Projects in this axis are less mature and have therefore not yet claimed as large a share of their budget as projects in other Priority Axes. It is expected that this will balance out later in the programme implementation.

Final targets for the year 2023 have been exceeded for PA 1-3 and in PA4 the final target for the common indicator has also been exceeded. Particularly high are values for the output indicators *Number of enterprises receiving support* in Priority Axis 2, where 156% of the 2023 target has been achieved, and *Number of households with improved energy consumption classifications* in Priority Axis 3, where 1820% of the 2023 target has been achieved. Due to a bug in the monitoring system, there was an inflation of figures in interim reports for one particular project (E-lighthouse), which was only corrected in the final report. This bug was linked to the project choosing the same output indicator twice.

The high values are explained by the fact that forecasts beneficiaries make about expected results at application stage are generally high in relation to the target values set by the programme. It has been the belief of the JS/MA that projects had been too optimistic, but that reporting on actual achievements as compared to forecasts will not show the same high values since the evidence asked for in interim reports and even more so in final reporting is more robust. The methodology has been described in 4 closure seminars arranged by the programme in 2018 and 2019.

At this point of implementation, however, there are few indications of the values decreasing

significantly in final reporting. For this reason, the MC approved a revision of output indicators in March 2019, to be put forward as a programme change in 2020.

## 6. ADDITIONAL INFORMATION

### 6.1 Contribution to macro-regional and sea basin strategies (where appropriate)

As stipulated by the Regulation (EU) No 1299/2013, recital 19, article 8(3)(d) on the "Content, adoption and amendment of cooperation programmes" and article 14(4) 2nd subparagraph (c) "Implementation reports", this programme contributes to MRS(s) and/or SBS:

The NPA lies at the fringes of the EUSBSR, thereby links to the EUSBSR are limited by the different territorial features specifically addressed in the Northern Periphery and Arctic. The areas of shared interest between the NPA and EUSBSR, as identified in the cooperation programme, are innovation and management of natural resources. However, the programme did not preclude projects from identifying other areas for contribution.

On the other hand, the programme chose not to select further EUSBSR objectives and horizontal actions in its Cooperation programme. The reason for this is to encourage projects to focus on NPA territorial features, thereby concentrating NPA funding towards relevant actions.

The programme links to the EUSBSR via its projects, who state their direct link with the macro-regional strategy at the application and closure stage. As part of the project development support activities for the generation of high quality projects, the Joint Secretariat (JS) informs the potential applicants about the EUSBSR objectives and policy areas. At the selection stage, the Joint Secretariat's assessment criteria include an analysis of the proposals' alignment with the EUSBSR.

The programme built in a coordination mechanism in its selection procedure: each proposal is assessed by a group of regional representative (RAGs) who are informed about EUSBSR as well as mainstream operations in their region and therefore include this dimension to the NPA transnational assessment carried out at the Joint Secretariat.

At closure, projects are requested to complete the Typology report, a document describing the type of results achieved (tangible vs intangible) as well as the type of impact they have had/ are likely to generate. In this report they also specify the connection with the EUSBSR. Out of the projects finalised in 2019, 1 indicated a direct link with the EUSBSR in the Policy Area of Health, bringing the total up to 3 cumulatively. The eCAP project looked at solutions for services that improve the quality and availability of mental health care for children and adolescents in remote communities. Seven projects addressed themes which are of shared interest between the NPA and the EUSBSR.

Besides this, the Northern Periphery and Arctic programme has an interest in the Atlantic sea basin strategy. As for the EUSBSR, the NPA is supporting this strategy mainly at project level and mainly where these projects cover the coastal parts of the programme area. It is to be noted that at this stage of implementation, the programme did not finance projects with a specific focus on coastal



territories, however some projects addressed the marine economy especially looking into introducing innovation into some niche industries such as seaweed, sea urchin and fish labelling technologies. In December 2019, the Monitoring Committee selected a dedicated coastal project, Sustainable Resilient Coasts, which was contracted in March 2020.

Amongst the projects closed in 2019, none indicated a direct link with the Atlantic sea basin strategy, while 7 reported a thematic or geographical overlap, bringing the total to 12 cumulatively. Circular Ocean and Cool Route were the two NPA projects most highly interested in the Atlantic geography of the programme. While the former guided entrepreneurs in finding new uses for discarded fishing nets and gears, also providing them with a complete business development support tool. The Cool Route project revived and marketed a traditional Viking sailing route running from the west coast of Ireland up to the Svalbard archipelago.

Besides this, in 2019, the NPA Joint secretariat joined the INTERACT network of maritime Interreg programmes, the Knowledge of the Seas Network. As member of the Network the Joint Secretariat has been active working with INTERACT and NPA projects towards contributing to the forthcoming European Maritime Day in 2020.

In the following are the answers to be registered in the questionnaire on contributions to the EUSBSR and ATLSBS in the Commission system SFC:

**EUSBSR**

Please specify the objective(s), policy area(s) and horizontal action(s) that your programme is relevant to:

	Objectives
<input type="checkbox"/>	1 - Save the Sea
<input type="checkbox"/>	2 - Connect the Region
<input checked="" type="checkbox"/>	3 - Increase Prosperity
	Policy areas
<input checked="" type="checkbox"/>	4.1 - Bioeconomy
<input checked="" type="checkbox"/>	4.2 - Culture
<input type="checkbox"/>	4.3 - Education
<input type="checkbox"/>	4.4 - Energy
<input type="checkbox"/>	4.5 - Hazards
<input checked="" type="checkbox"/>	4.6 - Health
<input checked="" type="checkbox"/>	4.7 - Innovation
<input type="checkbox"/>	4.8 - Nutri
<input type="checkbox"/>	4.9 - Safe
<input type="checkbox"/>	4.10 - Secure
<input type="checkbox"/>	4.11 - Ship
<input checked="" type="checkbox"/>	4.12 - Tourism
<input type="checkbox"/>	4.13 - Transport
	Horizontal actions
<input checked="" type="checkbox"/>	5.1 - Capacity
<input type="checkbox"/>	5.2 - Climate
<input type="checkbox"/>	5.3 - Neighbours
<input type="checkbox"/>	5.4 - Spatial planning





What were the actions or mechanisms used to better link the programme with the EUSBSR:

*A. Are macro-regional coordinators (mainly National Coordinators, Policy Area Coordinators, Horizontal Action Coordinators, or members of the Steering Committees/Coordination Groups) participating in the Monitoring Committee of the programme?*

Yes  No

*B. In selection criteria, have extra points been attributed to specific measures supporting the EUSBSR?*

Yes  No

*C. Has the programme invested EU funds in the EUSBSR?*

Yes  No

*Does your programme plan to invest in the EUSBSR in the future? Please elaborate (1 specific sentence)*

**Nothing besides the allocated funding to projects that are in line with the strategy.**

*D. Please indicate the obtained results in relation to the EUSBSR (n.a. for 2016)*

Among the 13 projects that closed in 2019, one indicated a direct link with the EUSBSR in the Policy Area of Health. The eCAP project looked at solutions for services that improve the quality and availability of mental health care for children and adolescents in remote communities. Seven projects addressed themes which are of shared interest between the NPA and the EUSBSR. As an example, the Cool Route project supported the development of tourism services for sailing yachts, the Creative Momentum project established a digital network for small creative businesses and the RYE project enhanced young entrepreneurs skills to start their own business in remote areas.



**ATLSBS**

Please specify the priority(s) and objective(s) that your programme is relevant to:

	Priority	Objective
<input checked="" type="checkbox"/>	1 - Promote entrepreneurship and innovation	1.1 - Sharing knowledge between higher education organisations, companies and research centers
<input checked="" type="checkbox"/>	1 - Promote entrepreneurship and innovation	1.2 - Enhancement of competitiveness and innovation capacities in the maritime economy of the Atlantic area
<input type="checkbox"/>	1 - Promote entrepreneurship and innovation	1.3 - Fostering adaptation and diversification of economic activities by promoting the potential of the Atlantic area
<input type="checkbox"/>	2 - Protect, secure and develop the potential of the Atlantic marine and coastal environment	2.1 - Improving maritime safety and security
<input type="checkbox"/>	2 - Protect, secure and develop the potential of the Atlantic marine and coastal environment	2.2 - Exploring and protecting marine waters and coastal zones
<input checked="" type="checkbox"/>	2 - Protect, secure and develop the potential of the Atlantic marine and coastal environment	2.3 - Sustainable management of marine resources
<input type="checkbox"/>	2 - Protect, secure and develop the potential of the Atlantic marine and coastal environment	2.4 - Exploitation of the renewable energy potential of the Atlantic area's marine and coastal environment
<input type="checkbox"/>	3 - Improve accessibility and connectivity	3.1 - Promoting cooperation between ports
<input type="checkbox"/>	4 - Create a socially inclusive and sustainable model of regional development	4.1 - Fostering better knowledge of social challenges in the Atlantic area
<input checked="" type="checkbox"/>	4 - Create a socially inclusive and sustainable model of regional development	4.2 - Preserving and promoting the Atlantic's cultural heritage





What were the actions or mechanisms used to better link the programme with the Atlantic SBS:

*A. Are the Sea Basin Strategic coordinators (mainly National Coordinators, Priority Area Coordinators or members, and/or Objective coordinators or members) participating in the Monitoring Committee of the programme?*

Yes  No

*B. In selection criteria, have extra points been attributed to specific measures supporting the ATLSBS?*

Yes  No

*C. Has the programme invested EU funds in the ATLSBS?*

Yes  No

*Does your programme plan to invest in the ATLSBS in the future? Please elaborate (1 specific sentence)*

*D. Please indicate the obtained results in relation to the ATLSBS (n.a. for 2016)*

Amongst the closed projects, none indicated a direct link with the ATLSBS, while 7 reported a thematic or geographical overlap. The Circular Ocean and Cool Route projects were the two NPA projects most highly interested in the Atlantic geography of the programme. While the former guided entrepreneurs in finding new uses for discarded fishing nets and gears, also providing them with a complete business development support tool. The Cool Route project revived and marketed a traditional Viking sailing route running from the west coast of Ireland up to the Svalbard archipelago.

## 7. CITIZENS SUMMARY

*A citizen's summary of the contents of the annual and the final implementation reports shall be made public and uploaded as a separate file in the form of annex to the annual and the final implementation report*

# The Northern Periphery and Arctic programme in brief

## Information about progress in the year 2019



### About the programme

The Northern Periphery and Arctic Programme 2014–2020 covers a huge area that corresponds to 75% of EU's area. The Programme comprises a cooperation between 9 Programme partner countries; the EU-Member States of Finland, Ireland, Sweden and the United Kingdom (Scotland and Northern Ireland) in cooperation with the Faroe Islands, Iceland, Greenland and Norway. Besides that, Russia and Canada have been offered the status as observers in the Monitoring Committee. This means that the Programme area encompasses the Euro-Arctic zone, parts of the Atlantic zone and parts of the Barents region, with neighbouring areas in Russia. Despite geographical differences, the large Programme area shares several common features, such as low population density, low accessibility, low economic diversity, abundant natural resources, and high impact of climate change. This unique combination of features results in joint challenges and joint opportunities that can best be overcome and realised by transnational cooperation.

The Programme's vision is to help to generate vibrant, competitive and sustainable communities by harnessing innovation, expanding the capacity for entrepreneurship, and seizing the unique growth initiatives and opportunities of the Northern and Arctic regions in a resource-efficient way.

The development needs and potentials of the Programme area, together with the policy and historic context, have resulted in 4 priority axes to achieve the Programme vision:

1. Using innovation to maintain and develop robust and competitive communities.
2. Promoting entrepreneurship to realise the potential of the Programme area's competitive advantage.
3. Fostering energy-secure communities through promotion of renewable energy and energy efficiency.
4. Protecting, promoting and developing cultural and natural heritage.

The sparsely populated communities of the Programme area are the focal point of all 4 priority axes.

The development of the Arctic has had and still has a growing attention at national level as well as in international cooperation, which is also expressed by the EU communication on an integrated European Union policy for the Arctic. Therefore, in addition to the four above mentioned priority axes, the NPA addresses the "Arctic Dimension" as a cross cutting theme. This is done by including partners from the Arctic part from the Programme Area and by supporting cooperation, innovation and transfer of knowledge, and technology within themes of specific significance for the Arctic territories. The overall intention is that NPA projects shall foster changes that are of importance to people, including indigenous peoples, living in the Arctic area.

During the period 2014–2020, the Programme will allocate approximately 56 million Euros of programme funding to a target of 54 projects with a maximum total project budget of 2 million Euros per project including match funding.

In terms of monitoring results at programme level, result indicators, baseline values and targets for the six programme specific objectives were developed and approved by the Monitoring Committee during 2015.

Due to the lack of data covering the programme area, the Programme has decided to work with panels of regional experts, who were asked to describe and assess the regional status-quo in quantitative and qualitative terms in 2015 (baseline values), and then to assess the progress towards the achievement of objectives in 2017, 2019 and 2023. Rather than monitoring the entire programme area, a sample of three regions, defined on NUTS3 level, was selected and an expert panel was constituted for each of the six result indicators.

The baseline assessment provides the NPA Programme with a rich data set covering various quantitative-qualitative dimensions that give a detailed and varied picture of the status quo in the sample regions as a basis for monitoring the impact of the Programme's interventions. The 2019 update of the baseline values for the result indicators shows that most of the values have developed in line with the expectations in 2015. Even though three out of 6 values are a little below the expectations, in particular indicator 3, the regional experts are still optimistic with regard to reaching



the target values in 2023. For three indicators, the 2019-update is higher than expected.

In terms of output indicators, two common indicators have been selected for priority axis 1 and 2. One common indicator has been selected for Priority axis 3 and a common, and a programme specific output indicator have been selected for Priority axis 4.

### Progress in 2019

The Annual Implementation Report 2019 gives an overview of the implementation of the Programme in 2019. The following summarizes some key points in the report:

During 2019, the programme reached the peak of 35 ongoing projects from six calls implementing at the same time. In March 2019, the Monitoring Committee approved 6 projects out of 25 submitted in the Sixth Call, bringing the total of approved main projects to 50.

Distance and costs are often obstacles to the development of a strong and well balanced project partnership, due to the dispersed geography of the NPA Programme area. For that reason, preparatory projects are a programme specific tool developed to bring potential project partners together and to generate high-quality main project applications. During the year another 3 preparatory projects were approved, bringing the total number of preparatory projects to 59.

By the end of the year, 51 953 204 or 92% of the total NPA funding for projects was allocated, when taking into account de-commitments from the first finalized projects.

After 6 calls, the allocation is unevenly distributed across the funding sources. Of the ERDF funding, 92% was committed, whilst 98% of the Norwegian, 99% of the Icelandic, 94% of the Faroese and 83% of the Greenlandic funding to projects was committed, although some of the non-member states decided to increase their contribution to the programme in 2017.

The 356 main project beneficiaries are distributed as follows across the three geographical zones of the programme area: 145 partners in Finland, Sweden and Norway, 140 partners in Scotland, Ireland and Northern Ireland and 57 partners in Greenland, Iceland and Faroe Islands, and other countries 14. When looking at the geographical distribution of Lead Partners, the distribution between the three zones is more uneven, mainly because Greenlandic and Faroese partners cannot be Lead Partners.

The NPA addresses the “Arctic Dimension” as a cross cutting theme, and the integrated European Union policy for the Arctic mandated the NPA to have a leading role in bringing together a network of managing authorities and stakeholders from cooperation programmes in the European Arctic. In 2019, a wide range of activities was organised jointly by NPA, Interreg Nord, Interreg Botnia-Atlantica, Kolarctic and Karelia CBC ENI . The highlight of 2019 was the first Arctic Cooperation conference “*What can cooperation programmes do for the Arctic?*” on 18<sup>th</sup> September in Copenhagen. The event showcased the results of the Arctic Cooperation, through concrete project presentations, videos and an exhibition. Approximately 105 people participated, from 12 countries, representing national, regional and local public authorities, as well as members of parliament,

representatives of the EU Commission DG Regio, and research organisations. A conference video is available on the NPA website.

An award ceremony for the third edition of the Arctic Award project competition took place during the festive evening reception of the Arctic Cooperation conference. The winner of Category 1, Sustainable Use of Resources, was the BusK project (NPA). The winner of Category 2, Arctic Entrepreneurial Spirit, was Our Stories (Nord). As a prize, the projects received project videos, which were premiered during the award ceremony. The project videos are available on the NPA website. When analysing NPA achievements in relation to targets set for the programme, it can be concluded that all targets have been reached or exceeded already at this stage of the implementation. In 2018 an impact evaluation of the programme was carried out, results of this are described in the report “An impact evaluation of the Northern Periphery and Arctic Programme 2014-2020”, published in January 2019. The evaluation report describes a range of impacts of NPA interventions, such as new SME links to R&D institutes/public sector supporting economic development, new business growth opportunities, improved service provision to remote communities, changing attitudes and perceptions, future oriented strategic partnerships and transnational links as well as growing local capacity to engage with macro development issues. The evaluators conclude that the NPA delivers impact for a range of beneficiaries at a variety of different levels and the transnational dimension brings a distinct added value to stakeholders.

At the occasion of its 2019 Annual Conference in the Faroe Islands, the programme published the first of 9 results maps with stories about project impacts, this one focussing on the Faroe Islands. The map was the starting point of a wider project to promote project results through a combination of paper/PDF maps and an online interactive map on the NPA website, which will be launched during the Annual Conference 2020.

### Examples of funded projects

Two examples of funded projects from the fifth call are listed below. These examples address core themes within the NPA Programme:

#### **SMARCTIC - Smart energy management in remote Northern, Peripheral and Arctic regions'**

The project addresses Priority Axis 3 Renewables and Energy Efficiency, Specific Objective Increased use of energy efficiency and renewable energy solutions.

The SMARCTIC project aims to **increase the use of energy efficiency and renewable energy solutions in housing and public infrastructures** in remote, sparsely populated areas.

The project objectives are to:





1. **Provide a Smart Energy Management model suitable for NPA communities**  
Provide a technological framework for decreasing the total energy usage in the NPA communities by deploying an ICT-based Smart Energy Management Model.
2. **Test the effectiveness of the new smart energy solutions**  
Test the effectiveness of the model to improve the awareness of energy efficiency and renewable solutions in housing and public infrastructures in the project regions.
3. **Increase NPA's communities innovation capacity to deliver energy solutions**  
Provide an ecosystem to increase the capacity of the NPA communities to work together to deliver innovative energy solutions.

Affordable, reliable and efficient supply and usage of energy is a major challenge for Northern Periphery and Arctic communities. The approach of the SMARCTIC project to this common challenge is to focus, not on individual buildings or public infrastructure, but on the entire stock of buildings and public infrastructure within the community and to minimise overall energy usage within the geographic boundary of that community. This approach has the potential to realise **greater overall energy efficiency gains**, e.g. reuse excess energy from a factory to heat a swimming pool.

This approach requires a new type of solution, i.e., a Smart Energy Management Model (SEMM) combining smart cities approaches with new ICT, Artificial Intelligence and the Internet of Things.

Transnational cooperation is needed to achieve the project's objectives and results because the range of ICT and energy "tech" knowledge to develop the project's main output, i.e., the trans-boundary Smart Energy Management Model, does not exist in a single NPA region. This project, through its partners, brings the different knowledge specialisms together.

The partnership is led by an Irish partner and involves partners from Northern Ireland, Finland, Iceland, and Sweden.

For further details: <http://smarctic.interreg-npa.eu/>

<https://www.facebook.com/SMARCTICproject>

<https://twitter.com/smarctic>

### **ChatPal - Conversational Interfaces Supporting Mental Health and Wellbeing of People in Sparsely Populated Areas**

The project addresses Priority Axis 1, Specific Objective 1.2 Increased innovation in public service provision.

Current mental health service provision for NPA citizens cannot meet the rising demand to prevent







and manage mental ill health.

Traditional one-to-one mental health services supporting people with chronic mental illness as well as mild-to-moderate mental illness is expensive and resource limited. One-to-one intervention support requires significant travel for clients living in rural areas; hence accessibility to traditional treatments are a particular concern. Moreover, given mental ill health remains a stigma, citizens often feel embarrassed when setting up appointments with a support person due to the lack of anonymisation.

Evidence collected within ChatPal preparatory project suggests that citizens will engage or open up sooner to an online virtual presence (chatbot) in comparison to a human project worker due to anonymity and the lack of stigmatisation.

The project objectives are:

- To understand the mental health and digital mental health requirements of older and younger citizens in rural and sparsely populated NPA regions
- To co-create and pilot a multilingual chatbot service that is effective for providing a blended digital mental health service supporting project workers and skills coaches across different NPA regions and age groups
- To inform, and to increase awareness and attitudes of mental health and healthcare professionals regarding the use of digital health tools and particularly chatbots to augment and improve mental health service provision

ChatPal will be a new, blended mental health service offering. It will augment and extend the reach of traditional existing services but it will not replace these services.

The partnership is led by a Northern Irish partner and involves partners from Ireland, Scotland, Finland, and Sweden.

For further details: <http://chatpal.interreg-npa.eu/>

<https://twitter.com/ChatPal1>