



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



**EUROPEAN UNION**

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# **Annual Implementation Report**

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

## **Northern Periphery and Arctic Programme**

### **2014-2020**

**Reporting year 2021**

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

CCI	CCI2014TC16RFTN004
Title	Interreg V-B Northern Periphery and Arctic programme
Version	2.0
Reporting year	2021
Date of approval of the report by the monitoring committee	2022-05-18

## 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)*

During 2021, two small project calls were held, in an effort to allocate the remaining programme funds, improve the uptake of results, and prepare for the new period.

The Clustering Call was open from 15th January to 31st March 2021. Out of 9 proposals received, 6 were approved.

Clustering projects are small projects that combine 2 or more NPA projects, or projects from other Interreg programmes. The Clustering call focussed on diversifying and capitalising on outputs and results; further integrating results, as well as disseminating their impacts. Thus, reaching a wider group of stakeholders, supplementary learning, and capacity building. Please also see the citizens summary.

Secondly, the Bridging Call was open from 16th August to 8th October 2021. Out of 25 proposals received, 22 were approved.

Bridging projects are preparatory projects, whose main purpose is to build a project pipeline for future main projects in the new programme, keep momentum, thus allowing for a strong start. Secondly, to explore in practice the different themes proposed in the new programme.

Many ongoing projects remained affected by the COVID-19 pandemic. During 2020, the programme administration surveyed the impact of the pandemic on ongoing projects and developed an approach to assist projects with modifications. The majority of projects required a project extension and budget changes in order to finalise their project successfully. During 2021, the programme administration continued working with projects so that by December 2021, 23 projects had received extensions.

By the end of the year, 53 856 917 Euro or 95,5% of the total NPA funding for projects was allocated, when taking into account de-commitments from finalized projects.

The allocation by the end of 2021 is somewhat unevenly distributed across the funding sources. Of the ERDF funding, 96% was committed, whilst 95% of the Norwegian, 97% of the Icelandic and 88% of both the Faroese and the Greenlandic funding to projects was committed.

No further main projects were approved, which is why the numbers below remained unchanged since the previous report. The 390 main project beneficiaries are distributed as follows across the three geographical zones of the programme area: 156 partners in Finland, Sweden and Norway, 156 partners in Scotland, Ireland and Northern Ireland and 63 partners in Greenland, Iceland and Faroe Islands, and other countries 15. 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 2021, the highest commitment rate is in Axis 3 (Energy) with 10 main projects and 20 preparatory projects approved and 105% of the ERDF funding committed, followed by Axis 1 (Innovation) with 19 main projects and 27 preparatory projects approved and a commitment rate of 98%. Axis 2 (Entrepreneurship) is the third most popular theme with 17 approved main projects and 16 preparatory projects, and a commitment rate of 96%. The commitment rate for Axis 4 (Sustainability) is at 82% and 12 main and 9 preparatory projects have been approved.

The overall payment rate of the ERDF by the end of 2021 was that 75% of the total NPA budget had been paid, broken down by Priority Axis as follows: PA1 73%, PA2 74%, PA3 78%, PA4 77% and PA5 (TA) 70%.

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 2021, regular meetings were held between the participating programmes, NPA, Interreg Nord, Interreg Botnia-Atlantica, Kolarctic, and Karelia CBC ENI.

Since its launch in 2017, the Arctic Awards project competition attracted increasing attention from institutional stakeholders such as the European Commission, but slightly decreasing interest from the main target group: the projects funded by the Arctic Cooperation programmes. In addition, due to COVID-19 restrictions, the Arctic Awards Winners 2020 did not receive all the visibility and celebration they deserved. It was decided to pause the Arctic Awards in 2021 and use the time instead to evaluate the experience of the past four years. Interviews were held with programme staff, Arctic Award winners and a survey among projects of the Arctic Cooperation programmes. In total, 11 interviews took place and 62 people responded to the survey. The conclusion was that the Arctic Award is a recognised “label of excellence” among the territorial cooperation community in the Arctic regions. It should be continued in the future with the same objectives, however, with a different format and focus, allowing for more creative expressions and direct engagement with project end users. It was agreed to redesign the concept and launch a new Arctic Award 2022 competition for projects funded in the 2014-2020 period.

Because all programmes are in a similar phase of programme preparation, regular updates on the status and direction of the processes in the other Arctic programmes have been very informative. Both to learn about the thematic focus of the other programmes, as well as the more technical aspects of programme development and adoption, and the new communication strategies.

Based on the good experience of presenting the Arctic Cooperation during the EU Regions Week and the Interreg Annual Event, the NPA presented in December 2020 a plan for a joint paper on lessons learnt from the Arctic Cooperation. During the year, input was gathered from the programmes, from Arctic clustering projects and Arctic Award winners, as well as MC members and the European Commission. In late 2021, the programmes jointly decided to present a draft version to respective Monitoring Committees to gather feedback. The document will be finalised and published in 2022, so it can serve as a foundation for the discussions about the future Arctic Cooperation.

In October 2021, the new EU Arctic Policy was launched by the Commission, sparking some ideas about the future direction of the Arctic Cooperation. However, decisions about the future Arctic Cooperation need to involve respective Monitoring Committees. In any case, the different programme administrations are committed to continue with the Arctic Cooperation.

At the NPA Annual Event in October 2021, Mr Michael Mann, EU Ambassador at Large for the Arctic, presented the new EU Arctic Policy and highlighted the role of transnational cooperation and the NPA in tackling the challenges and opportunities arising in the Arctic. Head of Secretariat Kirsti Mijnhijmer also attended the EU Arctic Forum in November, where the new EU Arctic Policy was presented by the European Commission. The ARCTISEN project on culturally sensitive tourism presented in one of the panels.

### 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. (Max length 1 750 characters)
1	INNOVATION	<p>Nine 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>Ten 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 existing SMEs) in Priority Axis 2. In this specific objective, all actions have been fulfilled.</p> <p>Eight main projects are addressing Specific Objective 2.2 (Greater market reach beyond local market for SMEs) under Priority Axis 2. The supported projects are addressing all prioritised actions mentioned in the Cooperation Programme document.</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	Twelve main projects have been approved in this Priority Axis. The supported projects are addressing all prioritised actions mentioned in the Cooperation Programme document.

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. The TA spending has caught up and is expected to be accurate over time even though the Covid -19 pandemic has had an effect on the TA activities as well, with all travels being cancelled.</p> <p>The rate of payments has increased over the years after having made the first payments in November 2016 and is at a satisfactory stage. In total 75% of the allocated funding (including TA), has been paid by the end of 2021.</p> <p>There have not been any problems experienced in relation to TA expenditure. At its meeting in December the Monitoring Committee was informed that approximately 69 % of the total TA budget had been spent.</p> <p>For the coming years it is foreseen that the extensions of projects due to the Covid-19 crisis will impact the programme administration. Many projects will run until September 2022 and by this time a new NPA programme should be underway in parallel. To be able to handle a larger workload in the year 2021, the JS staff was increased by one full-time staff member.</p> <p>At the same time, during this period when programme activities are foreseen to be quite intense, the yearly TA budget for the years 2022-2023 will decrease. Underspending from the early stages of programme implementation will be used to secure that the full Programme Administration can be maintained also for the final years of programme implementation.</p>
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## 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 2021 values for outputs delivered by operations are actual achievements, values reported by all projects by the end of 2021.

The Monitoring Committee has decided on several updates to the cooperation programme document over the past years in regard to target values for output indicators and to align these better with actual achievements as the targets set originally were reached already at a very early stage of programme implementation. The programme administration did however not formally submit these requests for changes to the Commission until in February 2021 because it has been considered relevant to wait if further changes would be necessary.

The proposed updates were updates to target values for the common and programme specific output indicators as well as the performance framework of the priority axes as displayed in tables 2 and 3. The Commission approved the request for programme update in March 2021 and the target values displayed in the tables in the following sections are the revised ones.

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<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	
							2015-2020 T	2021 T
Outputs delivered by operations (achievement)	C001	INNOVATION	1B	Number of enterprises receiving support	Enterprises	200	152	152
Outputs to be delivered by selected operations (forecast)	C001	INNOVATION	1B	Number of enterprises receiving support	Enterprises	200	72	174
Outputs delivered by operations (achievement)	C026	INNOVATION	1B	Number of enterprises cooperating with research institutions	Enterprises	321	237	238
Outputs to be delivered by selected operations (forecast)	C026	INNOVATION	1B	Number of enterprises cooperating with research institutions	Enterprises	321	321	321
Outputs delivered by operations (achievement)	C001	ENTREPRENEURSHIP	3A	Number of enterprises receiving support	Enterprises	1 520	1 158	1 163

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

Outputs to be delivered by selected operations (forecast)	C001	ENTREPRENEURSHIP	3A	Number of enterprises receiving support	Enterprises	1 520	664	672
Outputs delivered by operations (achievement)	C028	ENTREPRENEURSHIP	3A	Number of enterprises supported to introduce new to the market products	Enterprises	100	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	100	49	49
Outputs delivered by operations (achievement)	C001	ENTREPRENEURSHIP	3D	Number of enterprises receiving support	Enterprises	380	269	278
Outputs to be delivered by selected operations (forecast)	C001	ENTREPRENEURSHIP	3D	Number of enterprises receiving support	Enterprises	380	116	166
Outputs delivered by operations (achievement)	C028	ENTREPRENEURSHIP	3D	Number of enterprises supported to introduce new to the market products	Enterprises	200	138	185

Outputs to be delivered by selected operations (forecast)	C028	ENTREPRENEURSHIP	3D	Number of enterprises supported to introduce new to the market products	Enterprises	200	123	123
Outputs delivered by operations (achievement)	C031	RENEWABLES AND ENERGY EFFICIENCY	4C	Number of households with improved energy consumption classification	Households	4 803	4 671	4 702
Outputs to be delivered by selected operations (forecast)	C031	RENEWABLES AND ENERGY EFFICIENCY	4C	Number of households with improved energy consumption classification	Households	4 803	4 803	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, trans-national or interregional research projects	Organizations	67	56	58
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	67	55	55

Outputs delivered by operations (achievement)	4	PROTECTING, DEVELOPING AND PROMOTING NATURAL AND CULTURAL HERITAGE	6C	Number of organizations introducing a decisionmaking tool or governance concept facilitating sustainable environmental management	Organizations	24	22	24
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	24	40	40
Outputs delivered by operations (achievement)	5	TECHNICAL ASSISTANCE		Number of simplification measures implemented	Simplification measures	4	5	5
Outputs to be delivered by selected operations (forecast)	5	TECHNICAL ASSISTANCE		Number of simplification measures implemented	Simplification measures	4	4	4

Outputs delivered by operations (achievement)	5	TECHNICAL ASSISTANCE		Number of project development support activities	Events and activities	14	24	4
Outputs to be delivered by selected operations (forecast)	5	TECHNICAL ASSISTANCE		Number of project development support activities	Events and activities	14	14	2
Outputs delivered by operations (achievement)	5	TECHNICAL ASSISTANCE		Number of information and communication activities	Information and communication measures	18	23	3
Outputs to be delivered by selected operations (forecast)	5	TECHNICAL ASSISTANCE		Number of information and communication activities	Information and communication measures	18	17	1
Outputs delivered by operations (achievement)	5	TECHNICAL ASSISTANCE		Number of employees (full-time equivalents) whose salaries are co-financed by TA	Full-time equivalents	5	6	7
Outputs to be delivered by selected operations (forecast)	5	TECHNICAL ASSISTANCE		Number of employees (full-time equivalents) whose salaries are co-financed by TA	Full-time equivalents	5	6	6

### 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.”

**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	2016-2020 T	2021 T	Observations (if necessary)
1	Output	C1	Number of enterprises receiving support	Enterprises	6	200	152	152	Target values updated and approved by the Commission on 2021-03-30
1	Output	C26	Number of enterprises cooperating with research institutions	Enterprises	3	321	237	238	Target values updated and approved by the Commission on 2021-03-30
2	Output	C1	Number of enterprises receiving support	Enterprises	6	1 900	1 427	1 441	Target values updated and approved by the Commission on 2021-03--30
2	Output	C28	Number of enterprises supported to introduce new to the market products	Enterprises	3	300	213	260	Target values updated and approved by the Commission on 2021-03-30
3	Output	C31	Number of households with improved energy consumption classification	Households	50	4 803	4 671	4 702	Target values updated and approved by the Commission on 2021-03-30.

<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

Priority Axis	Indicator type	ID	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018 T	Final target (2023) T	2016-2020 T	2021 T	Observations (if necessary)
4	Output	C42	Number of research institutions participating in crossborder, transnational or inter-regional research projects	Organizations	2	67	56	58	Target values updated and approved by the Commission on 2021-03--30
4	Output	Programme specific	Number of organizations introducing a decision-making tool or governance concept facilitating sustainable environmental management	Organizations	4	24	22	24	Target values updated and approved by the Commission on 2021-03--30
1	Financial		Total certified expenditure for Priority axis 1 (ERDF + national contribution)	EUR	3 267 506 (15% of final target)	21 783 372	13 845 767 (63,6% of final target)	15 999 662 (73,4% 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	13 233 063 (60,8% of final target)	16 210 834 (74,4% 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	8 641 019 (59,5 % of final target)	11 294 014 (77,8 % of final target)	The number of approved projects in Priority Axis 3 in the first calls was lower than in others. The MC focused the Third Call exclusively on PA 3 and 4. However, even after that payments in PA 3 have lagged behind, but in 2021 the payments in this priority axis have caught up and are by the end of the year at a higher level than other priority axes.
4	Financial		Total certified expenditure for Priority axis 4 (ERDF + national contribution)	EUR	2 178 337 (15% of final target)	14 522 247	9 924 719 (68,3% of final target)	11 191 703 (77,1% 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 (Total or public)	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%	21 537 651	98,87%	21 282 367	15 999 662	73,45%	46
ENTREPRE-NEURSHIP	ERDF	Total	21 783 372	65%	21 377 809	98,14%	20 521 498	16 210 834	74,42%	33
ENERGY	ERDF	Total	14 522 247	65%	15 370 273	105,84%	14 934 519	11 294 014	77,77%	30
SUSTAINABILITY	ERDF	Total	14 522 247	65%	11 956 375	82,33%	11 956 375	11 191 703	77,07%	21
TECHNICAL ASSISTANCE	ERDF	Total	6 025 186	50%	6 025 186	100,00%	6 025 186	4 198 186	69,68%	3
<b>TOTAL</b>	<b>ERDF</b>		<b>78 636 424</b>	<b>63,85 %</b>	<b>76 267 294</b>	<b>96,99%</b>	<b>74 719 945</b>	<b>58 894 399</b>	<b>74,89%</b>	<b>133</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 8 700 620 Euro or 94 % has been committed by end of 2021, a commitment rate somewhat lower than the commitment rate for the ERDF funding (96%).

The distribution of allocated ERDF equivalent funding for projects between non-member states is described below (all figures in Euro):

#### Norwegian ERDF equivalent funding:

Allocated: 4 607 746

Commitment rate: 95%

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:

Allocated: 2 622 284

Commitment rate: 97%

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:

Allocated: 650 341

Commitment rate: 88%

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:

Allocated: 820 249

Commitment rate: 88%

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 above allocations take into account de-commitments from finalized projects.

**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	1 677 262,62	1 599 889,13	1 648 360,65	1
1	ERDF	055	01	07	07	01		18	IE011	45 000,00	45 000,00	45 000,00	1
1	ERDF	055	01	07	07	01		20	SE33	1 421 286,91	1 421 286,91	1 421 287,04	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	F1193	1 408 682,58	1 408 682,58	364 801,83	1
1	ERDF	062	01	07	07	01		02	IS001	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	UKM62	50 000,00	50 000,00	12 650,00	1
1	ERDF	062	01	07	07	01		02	UKM64	1 660 670,60	1 575 061,60	340 360,34	2
1	ERDF	062	01	07	07	01		07	UKN05	1 904 784,50	1 904 784,50	1 299 464,08	1
1	ERDF	062	01	07	07	01		11	F11D	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	F11D	21 000,00	21 000,00	21 000,00	1
1	ERDF	063	01	07	07	01		02	F11D	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	IS001	234 631,63	234 631,63	230 073,08	1
1	ERDF	063	01	07	07	01		13	UKM65	133 246,29	133 246,29	0,00	1
1	ERDF	063	01	07	07	01		24	UKN05	1 405 402,88	1 405 402,88	1 405 403,08	1
1	ERDF	064	01	07	07	01		22	IE011	1 592 722,64	1 592 722,64	1 007 507,19	1
1	ERDF	065	01	07	07	01		22	SE312	36 785,50	36 785,50	36 785,50	1
1	ERDF	065	01	07	07	01		24	F11D	1 631 429,66	1 557 050,43	1 624 660,38	1
1	ERDF	081	01	07	07	01		13	F11D	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		18	IE013	30 041,00	30 041,00	30 041,00	1
1	ERDF	081	01	07	07	01		20	F11D	44 994,50	44 994,50	44 994,50	1
1	ERDF	081	01	07	07	01		20	F11D4	45 000,00	45 000,00	45 000,00	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	UKM62	236 371,35	236 371,35	48 850,14	3

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	081	01	07	07	01		20	UKM64	36 995,00	36 995,00	36 995,00	1
1	ERDF	081	01	07	07	01		20	UKN03	37 122,00	37 122,00	37 122,00	1
1	ERDF	081	01	07	07	01		20	UKN04	1 603 863,28	1 600 638,28	615 843,14	4
1	ERDF	081	01	07	07	01		21	F1D	89 919,12	89 919,12	89 919,12	2
1	ERDF	081	01	07	07	01		21	IE011	153 845,93	153 845,93	82 795,53	1
1	ERDF	081	01	07	07	01		21	UKN04	1 573 356,80	1 573 356,80	1 070 213,95	1
2	ERDF	066	01	07	07	03		01	F1D	1 730 155,27	1 574 724,94	1 726 606,93	1
2	ERDF	066	01	07	07	03		15	F1D	1 197 953,05	1 197 953,05	380 888,89	4
2	ERDF	066	01	07	07	03		15	IE02	986 290,58	822 861,31	950 031,63	1
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	1 210 578,73	1
2	ERDF	067	01	07	07	03		04	NO053	1 114 661,53	1 114 661,53	674 070,26	1
2	ERDF	067	01	07	07	03		15	F1D	1 007 401,12	999 121,12	749 470,24	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	40 788,38	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	280 288,20	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	F1D4	99 430,44	99 430,44	19 048,44	1
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	UKN05	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	1 333 153,02	2
2	ERDF	076	01	07	07	03		23	IS002	153 275,51	153 275,51	0,00	1
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	22 407,90	1
2	ERDF	076	01	07	07	03		23	UKM65	999 757,47	999 757,47	334 514,54	1
2	ERDF	082	01	07	07	03		13	IE013	1 606 443,31	1 606 443,31	905 274,98	1
3	ERDF	013	01	07	07	04		22	F1D	3 281 424,28	3 178 177,96	3 281 424,74	6

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	013	01	07	07	04		22	IE01	1 622 847,15	1 622 847,15	1 622 847,47	2
3	ERDF	013	01	07	07	04		22	IE011	1 218 653,89	1 218 653,89	311 437,21	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	595 289,79	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	UKN01	1 850 515,32	1 724 490,53	1 367 933,02	1
3	ERDF	013	01	07	07	04		22	UKN03	26 340,61	26 340,61	26 340,61	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	FI1D	34 250,24	34 250,24	34 250,24	1
3	ERDF	014	01	07	07	04		10	FI1D	1 776 476,55	1 776 476,55	1 345 670,51	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	765 751,46	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	FI1D	45 000,00	45 000,00	45 000,00	1
3	ERDF	014	01	07	07	04		22	IE011	1 262 690,50	1 262 690,50	214 813,46	2
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
3	ERDF	014	01	07	07	04		22	UKN03	153 846,20	153 846,20	0,00	1
3	ERDF	014	01	07	07	04		24	UKM62	32 540,00	32 540,00	32 540,00	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	1 147 730,11	1 147 730,11	1 128 362,62	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	UKN04	1 274 697,06	1 274 697,06	1 274 697,27	1
4	ERDF	085	01	07	07	06		24	IE01	1 076 268,18	1 076 268,18	1 076 268,29	1
4	ERDF	087	01	07	07	06		11	FI1D	1 525 592,54	1 525 592,54	1 525 592,84	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	IS002	999 014,36	999 014,36	493 674,87	1
4	ERDF	087	01	07	07	06		22	UKM2	350 743,01	350 743,01	350 743,04	1
4	ERDF	087	01	07	07	06		22	UKN03	38 401,40	38 401,40	38 401,40	1
4	ERDF	087	01	07	07	06		22	UKN04	1 155 755,14	1 155 755,14	1 155 755,41	1
4	ERDF	088	01	07	07	06		22	FI1D	1 028 976,20	1 028 976,20	875 130,22	2
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	IE013	138 753,42	138 753,42	52 633,12	1
4	ERDF	095	01	07	07	06		22	NO07	763 478,80	763 478,80	763 478,98	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	1 099 993,05	1 099 993,05	1 099 993,27	1
5	ERDF	121	01	07	07			18	SE33	5 151 536,00	5 151 536,00	3 589 450,50	1
5	ERDF	122	01	07	07			18	SE33	120 504,00	120 504,00	83 963,92	1
5	ERDF	123	01	07	07			18	SE33	753 146,00	753 146,00	524 771,69	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
4	ERDF	087	01	07	07	06		22	UKN0	1,155,755.14	1,155,755.14	1,155,755.41	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	F1D	945,673.47	945,673.47	648,461.74	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	IE013	138,753.42	138,753.42	0.00	1
4	ERDF	095	01	07	07	06		22	NO07	838,671.94	838,671.94	597,066.01	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	895,594.99	1
5	ERDF	121	01	07	07			18	SE33	5,151,536.00	5,151,536.00	2,971,747.17	1
5	ERDF	122	01	07	07			18	SE33	120,504.00	120,504.00	69,514.69	1
5	ERDF	123	01	07	07			18	SE33	753,146.00	753,146.00	434,464.50	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%	227 982,95	0.45%
AET	3 680,00	0.01%	0,00	
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%	6 207,50	0.01%
ARCTISEN	173 323,00	0.35%	148 510,60	0.30%
Adapt	18 312,70	0.04%	18 312,69	0.04%
BCE	325 869,11	0.65%	196 271,98	0.39%
C&E	11 910,00	0.02%	11 910,00	0.02%
CEREAL	13 296,84	0.03%	5 971,39	0.01%
CINE	201 425,04	0.40%	201 425,01	0.40%
COAST	133 530,00	0.27%	81 748,77	0.16%
COVID-WATCH	7 475,00	0.01%	7 475,00	0.01%
CRR	3 935,00	0.01%	3 935,00	0.01%
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%	102 921,17	0.20%
Energy Pathfinder	181 131,92	0.36%	95 502,67	0.19%

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)
FOBIA	179 899,80	0.36%	91 159,56	0.18%
FREED	260 834,00	0.52%	243 900,25	0.49%
H-CHP	109 525,00	0.22%	41 795,54	0.08%
HUGE	92 727,70	0.18%	32 432,85	0.06%
LECo	178 093,15	0.35%	142 423,81	0.28%
Making it work	201 032,00	0.40%	201 031,75	0.40%
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%
PHIVE	37 375,00	0.07%	0,00	
POPCORN	29 999,98	0.06%	0,00	
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%
SCITOUR	128 112,00	0.26%	49 001,96	0.10%
SECURE	65 991,70	0.13%	63 532,14	0.13%
SHAPE	51 368,18	0.10%	36 788,39	0.07%
SMARTrenew	120 575,00	0.24%	25 409,49	0.05%
STRATUS	25 887,71	0.05%	8 652,00	0.02%
SW-GROW	217 750,76	0.43%	34 654,07	0.07%
Spara2020	255 341,54	0.51%	184 470,84	0.37%
StoryTagging	45 722,30	0.09%	11 218,80	0.02%
WATERPRO	130 068,36	0.26%	63 197,98	0.13%
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.*

During 2021, no impact evaluations were carried out. Instead, two more targeted evaluations took place.

First, the experience of the Arctic Award project competition over the past 4 years was reviewed.

Interviews with the Arctic cooperation programmes and a survey with the target group revealed that the Arctic Award is a recognised “label of excellence” among the territorial cooperation community in the Arctic regions. For this reason it should be continued in the future with the same objectives, however, with a different format and focus, allowing for more creative expressions and direct engagement with project end users. The programmes agreed to redesign the concept based on the inputs collected and launch a new Arctic Award 2022 competition among the projects funded in the 2014-2020 period.

Second, the communication strategy was evaluated.

As part of the Communication Strategy an **Evaluation of the Communication and visibility actions** has taken place between August and October 2021. The evaluation consisted of a survey launched among project beneficiaries, applicants and programme bodies. The survey was a repeat of the one run in 2019 to be able to compare results. In total, the 2021 survey collected 13 responses, a drop of 60% of respondents compared to 2019. One hypothesis for the low number of respondents could be an overall “consultation fatigue” since during 2021 the NPA as well as several other Interreg programmes called on their stakeholders for consultations within the programming process. The answers received were in line with the previous edition of the survey, generally supportive of the communication strategy, tools and operations without specific shortcomings. Due to the limited number of responses received and the consistency of the feedback, it was judge that no further action is necessary.



## **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.

During 2021, many ongoing projects remained affected by the COVID-19 pandemic. The previous year, the programme administration surveyed the impact of the pandemic on ongoing projects and developed an approach to assist projects with modifications.

The majority of projects required a project extension and budget changes in order to finalise their project successfully. During 2021, the programme administration continued working with projects so that by December 2021, 23 projects had received extensions.

The impact for the programme administration has been an extra workload related to the changes, and the expectation that the workload of the ongoing programme will stretch further into the programme lifetime than originally anticipated. Extra resources have been put into place at the Joint Secretariat and Managing Authority to manage this as well as possible. In parallel, the preparations for the start-up of the 2021-2027 programme were increasingly requiring resources.

Another impact of the pandemic on projects has been that they are not able to fully spend their allocated budgets. The programme administration is working closely with individual projects to guide them on appropriate project modifications to optimise their spending. However, it is anticipated that a number of projects will not be able to avoid substantial decommitments upon project closure.

In December 2021, the MC made the final project allocations to the Bridging Call projects. For this reason, it will not be possible to reuse the funds returning from closing projects, going forward.

### **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 2021, the number of ongoing projects slightly decreased, after remaining high in previous years. By the end of the year, 26 out of 58 main projects were still ongoing. Besides this, two calls for small-scale projects were held during 2021, the Clustering and Bridging Call, adding 6 plus 22 small projects respectively.

Currently, progress being made towards targets is sufficient to ensure their fulfilment. The number of projects and allocation of funds in 2021 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.

In relation to the performance framework, delays in implementation in the early stages of the programme period, in particular in priority axes 3 and 4, have caught up in past years. By end of 2021 PA4 stands out by having the lowest commitment rate with 86% of the total budget committed, whereas commitment rates in PA 1-3 are between 100-108%. After a dedicated call for PA3 and PA4 in 2016 the commitment rate in PA3 increased significantly in the following years and the commitment rate in PA4 is within the limits of the 10% flexibility allowed for between priority axes. Furthermore, indicator targets are at satisfactory levels.

In the early years of programme implementation final targets for output indicators in the year 2023 were exceeded significantly for PA 1-3 and met for PA4. For this reason, the MC approved a revision of output indicators in 2019 and 2020, which was put forward and approved as a programme change in March 2021. The result of updating the targets is that the output indicator achievements are now much more in line with the targets for 2023.

Out of 6 common output indicators, one in Priority Axis 3 nearly achieved its target at 98%, *Number of households with improved energy consumption classification (CO31)*.

The remaining 5 common output indicators have achievements between 74-87% of their targets. With just under half of main projects still to finalise, it is expected that all common output indicators will be achieved or exceeded, despite potentially lower output deliveries due to COVID.

The only programme specific output indicator in Priority Axis 4 achieved 100% of its target, *Number of organisations introducing a decision-making tool or governance concept facilitating sustainable environmental management*.

In regard to payment rates, the delayed uptake of funds in PA3 in early stages of programme implementation has had the effect that the amount of certified expenditure has been lower for PA3 than other PAs, but in 2021 the rate increased and by the end of December 2021, the certified expenditure for PA3 was at 78% of the final target, somewhat higher than in the other PAs.

A number of simplification methods have been applied to make the project implementation for partners smoother. At this stage these methods, such as small project funding with a simplified application procedure and selection process, establishing hourly rates for hours worked in projects using the standard 1 720 annual hours per year, a 15% flat rate for office costs based on staff costs, and payments based on lump sums and assessment and payment based on milestone achievements are a natural part of project and programme execution. Originally the programme also offered the option for a 20% flat rate for staff costs, but this has not been viewed as interesting among beneficiaries.

## 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 EU Baltic Sea Region Strategy (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 representatives (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 6 projects finalized in 2021 (32 in total), none indicated a direct link to a macro regional strategy (EUSBSR and Atlantic SBS) bringing the total up to 7; while 4 have a thematic or geographical overlap with either strategies, totalling 19 projects.

In general 50% of the finalised NPA projects contributed to the EUSBR Policy Areas innovation and Education.

The majority of projects finalized in 2021 have a link to the EUSBSR objective of Education, research and employability. These projects developed training and learning products for upskilling organizations. An example of this is the project CINE. CINE transformed people's experiences of outdoor heritage sites through technology, building on the idea of "museums without walls". New digital interfaces such as augmented reality, virtual world technology, and easy to use apps brought the past alive, allowed people to visualise the effects of the changing environment on heritage sites, and helped to imagine possible futures.

Behind the scenes CINE developed content management toolkits, enabling curators, archivists, historians, individuals and communities to make innovative heritage projects to create unique on-site and off-site customer experiences in specific locations.

Most projects finalized in 2021 have a link to the **Atlantic SBS** objective “Sharing knowledge between higher education organizations, companies and research centres” This brings the total of NPA projects contributing to this objective to 50%.

Among the projects with a thematic connection to the Atlantic SBS, it is worth highlighting APP4SEA. The APP4SEA project developed an online interactive map, that provides information about: the location of oil spill response (OSR) infrastructure, live and static weather information, shipping routes and oil/gas extraction areas, and the ecological zones where seabirds are at risk. This information helps authorities in planning and conducting of oil spill response activities, improves response efficiency and reduces response time

*The below sections are screenshots of the survey on the programmes’ contribution to macroregional strategies to be completed in the Commission monitoring system SFC:*

**EUSBSR**

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

In 2021 these were the PA and HA that the projects signalled having an overlap with:

	<b>Objectives</b>
<input type="checkbox"/>	1 - Save the Sea
<input type="checkbox"/>	2 - Connect the Region
<input type="checkbox"/>	3 - Increase Prosperity
	<b>Policy areas</b>
<input type="checkbox"/>	4.1 - Bioeconomy
<input type="checkbox"/>	4.2 - Culture
<input checked="" 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 checked="" type="checkbox"/>	4.9 - Safe
<input type="checkbox"/>	4.10 - Secure
<input type="checkbox"/>	4.11 - Ship
<input type="checkbox"/>	4.12 - Tourism
<input type="checkbox"/>	4.13 - Transport
	<b>Horizontal actions</b>
<input 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)*

Out of the 6 projects finalized in 2021, 4 indicated having a geographical overlap with the EUSBSR bringing the total up to 19 projects. Most of the projects finalized in 2021 have a link to the EUSBSR objective of Education. These projects developed training solutions to recruit and retain medical doctors in rural areas, to spread the use of digital technology in cultural heritage and to increase communities' awareness about renewable energy solutions.

*E. Does your programme address the EUSBSR sub-objectives (with corresponding to specific targets and indicators) as stated in the "EUSBSR Action Plan"? (Please specify the target and the indicator)*

The NPA has funded projects aligning with topics such as reliable energy markets, and climate change adaptation, but the programme does not in specific address the sub-objectives.

**ATLSBS**

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

In 2021 these were the PA and objectives that the projects signalled having a thematic or geographical overlap with:

Priority	Objective
<input checked="" type="checkbox"/> 1 - Promote entrepreneurship and innovation	1.1 - Sharing knowledge between higher education organisations, companies and research centers
<input 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 checked="" 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 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 checked="" 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)  
 Nothing besides the allocated funding to projects that are in line with the strategy

D. Please indicate the obtained results in relation to the ATLSBS (n.a. for 2016)  
 The pool of 6 projects finalized in 2021 had very different thematic focus therefore there is a spread connection between these projects and the Atlantic SBS strategy. Among these projects, it is worth highlighting APP4SEA. The APP4SEA project developed an online interactive map, that provides information about: the location of oil spill response (OSR) infrastructure, live and static weather information, shipping routes and oil/gas extraction areas, and the ecological zones where seabirds are at risk. This information helps authorities in planning and conducting of oil spill response activities, improves response efficiency and reduces response time.

## 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 2021



### 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 result indicators showed 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, the regional experts were 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. So far, the achievements of the



output indicators are between 74% and 100%, after the output indicator targets in the programme document were updated during 2021.

### **Progress in 2021**

The Annual Implementation Report 2021 gives an overview of the implementation of the Programme in 2021. The following summarizes some key points in the report:

#### Project Implementation

During 2021, two small project calls were held, in an effort to allocate the remaining programme funds, improve the uptake of results, and prepare for the new period: a Clustering projects call and a Bridging projects call.

Clustering projects are small projects that combine 2 or more NPA projects, or projects from other Interreg programmes. The Clustering call focussed on diversifying and capitalising on outputs and results; further integrating results, as well as disseminating their impacts. Thus, reaching a wider group of stakeholders, supplementary learning, and capacity building. Out of 9 proposals received, 6 were approved.

Bridging projects are preparatory projects, whose main purpose is to build a project pipeline for future main projects in the new programme, keep momentum, thus allowing for a strong start. Secondly, to explore in practice the different themes proposed in the new programme.

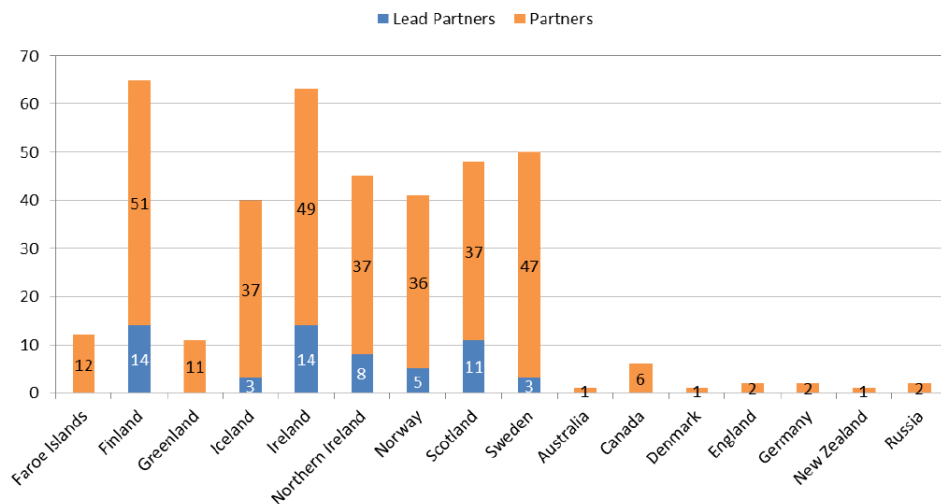
The Bridging Call was open from 16th August to 8th October 2021; out of 25 proposals received, 22 were approved by the Monitoring Committee in December 2021.

Many ongoing main projects remained affected by the COVID-19 pandemic. Due to the pandemic, the majority of projects required a project extension and budget changes in order to finalise their project successfully. During 2021, the programme administration continued working with projects so that by December 2021, 23 projects had received extensions.

By the end of the year, 53 856 917 Euro or 95,5% of the total NPA funding for projects was allocated, when taking into account de-commitments from finalized projects.

The allocation by the end of 2021 is somewhat unevenly distributed across the funding sources. Of the ERDF funding, 96% was committed, whilst 95% of the Norwegian, 97% of the Icelandic and 88% of both the Faroese and the Greenlandic funding to projects was committed.

No further main projects were approved, which is why the numbers below remained unchanged since the previous report. The 390 main project beneficiaries are distributed as follows across the three geographical zones of the programme area: 156 partners in Finland, Sweden and Norway, 156 partners in Scotland, Ireland and Northern Ireland and 63 partners in Greenland, Iceland and Faroe Islands, and other countries 15. 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.



### Arctic Cooperation

The NPA addresses the Arctic Dimension as a cross cutting theme.

In 2021, regular meetings were held between the participating programmes, NPA, Interreg Nord, Interreg Botnia-Atlantica, Kolarctic, and Karelia CBC ENI. Because all programmes are in a similar phase of programme preparation, regular updates on the status and direction of the processes in the other Arctic programmes have been very informative. Both to learn about the thematic focus of the other programmes, as well as the more technical aspects of programme development and adoption, and the new communication strategies.

In October 2021, the new EU Arctic Policy was launched by the Commission, sparking some ideas about the future direction of the Arctic Cooperation. However, decisions about the future Arctic Cooperation need to involve respective Monitoring Committees. In any case, the different programme administrations are committed to continue with the Arctic Cooperation.

### **Examples of funded projects**

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

#### ETRAC Ethical Tourism Recovery in Arctic Communities

Covid-19 is having a profound effect on the tourism sector in the cool north and as the industry starts to move into a resilient, post-pandemic recovery there is an opportunity to look at more sustainable or responsible tourist behaviour and address sustainability challenges in peripheral and arctic areas that have been intensified by the pandemic.

*The aim of ETRAC is to enable short-term business recovery, while exploring options for a more culturally and locally sensitive tourism future.*



The approach is to draw upon the collective experience of the lead partners from four previous or current NPA projects - ARCTISEN, W-POWER, SHAPE and SAINT - to share new approaches with an expanded network of end-users through a dynamic innovation platform.

- SHAPE focussed on the development of practical tools to support the development of ecotourism in sustainable heritage areas. The resulting knowledge and tools were incorporated into a dynamic 'e-service', designed to be used after the project ended.
- SAINT focused on working with tourism SMEs to facilitate new clustering and marketing approaches to support the development of nature-based tourism experiences.
- ARCTISEN focused on creating support systems for tourism SMEs and start-ups it was particularly concerned with how cultural sensitivity, to Indigenous and other local cultures, needs to be a core value in tourism products.
- W-POWER has a broader industry remit as it seeks to increase the contribution of women to sparsely populated regional economies, through capacity building and overcoming structural barriers.

While negative impacts on tourism partnerships are widespread, this is an opportunity to identify where individuals and communities have shown entrepreneurial flair and how these new activities may form part of expanded future networks.

<https://etrac.interreg-npa.eu>

## POPCORN Preventing oil and plastic contamination of ocean regions in the North



POPCORN is a clustering project of the NPA programme, which brings together NPA (APP4SEA, Circular Ocean & Blue Circular Economy) and Baltic Sea Region projects (OIL SPILL), which address maritime pollution issues.

Each of the project focuses either on oil spills or plastic pollution and has supported authorities, organisations and other actors working with these challenges in the Northern waters. POPCORN takes these outcomes and best practices of the individual projects and shares them with the new regions and organisations, in NPA region and beyond.

Individual projects have created, collected and laid out different kind of best practice reports, methods and other tools, which can help experts to upgrade their skillsets to deal with maritime oil spills and plastic pollution. A comprehensive toolkit will be created in POPCORN from the most relevant outputs, and disseminated to new target groups in new regions.

Reaching to the general public and informing them about the challenges that oil spills and plastic pollution at sea poses to the environment, is a key objective of the project. POPCORN is running a social media campaign on Twitter called #PlasticsInTheSea where demonstrating (virtually) how marine litter travels in the sea.

<https://popcorn.interreg-npa.eu>

**POPCORN\_NPA** @APP4SEA\_NPA · Apr 8

Time for some Friday fun and facts as we get back to our [#PlasticsInTheSea](#) campaign. Time to spot our virtual fishing net & find out what is has been up to in the past 4 weeks. The net was spotted last time of the southwest of the coast of 🇩🇰 at 58 degrees north [#DFG](#) [#GhostNet](#)

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