

Proposal for a cross-Arctic regional collaboration mechanism (ARC-NET)



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1. INTRODUCTION

The Arctic is undergoing fundamental and accelerating environmental changes which have an impact on sea routes, maritime navigation, hydro carbon extraction and hard mineral exploration and recovery. The new challenges and opportunities in the Arctic have an important regional dimension. Regional territorial cooperation is considered an important driver for development in the Arctic and adjacent northern European regions. In March 2013, the Norwegian Government organised a seminar in Bodø to explore the prospects for greater collaboration through territorial cooperation programmes in the Arctic and near-Arctic.¹ This event was followed up with two further events in Norway House in Brussels (September 2013 and April 2014) organised by the Norwegian and Scottish Governments. During these events the potential for the establishment of a mechanism which can facilitate increased collaboration between regional actors in the Arctic and near-Arctic was discussed. Although no formal name for such a mechanism has been agreed, throughout this paper it will be referred to as 'ARC-NET'.

This paper sets out a proposal for ARC-NET based on the discussions during these previous events and interviews held with a number of key stakeholders. The paper starts by providing some background information in relation to what has become known as the Bodø process. In the next section the rationale for a collaboration mechanism is provided, followed by a short overview of the key stakeholders. This is followed by a discussion of the mechanism's functions and its organisational structure. Finally, the issue of resourcing is addressed.

2. BACKGROUND: THE 'BODØ PROCESS'

The origins of the proposed Arctic regional collaboration mechanism lie in a series of discussions during 2013 and early 2014 on Arctic development challenges and opportunities and the scope for mobilising better regional cooperation. The discussions originated at a seminar held in Bodø (March 2013) initiated and led by the Mission of Norway to the EU, the Norwegian Ministry of Local Government and Modernisation, and the North Norway European Office. They continued, with organisational involvement of the Scottish Government in Brussels (Sept 2013 and Apr 2014).

The so-called 'Bodø Process' seminars brought together senior officials involved in territorial cooperation from Norway, Scotland, Sweden, Finland, the Faroe Islands, Iceland, Greenland, Canada and Russia, as well as representatives from European Territorial Cooperation (ETC) and European Neighbourhood Instrument (ENI), Northern Dimension, Arctic Council, Nordic Council of Ministers (NCM), Barents Euro-Arctic Cooperation (BEAC), Barents Cooperation and representatives of the European Commission (DG Regio, DG Mare and DG R&I) and the European External Action Service.

The focus of the seminar discussions was the increased significance of the Arctic and how the developments and changes in the Arctic region (and near-Arctic areas) can strengthen and contribute to regional development. In particular, the debate centred on cooperation through the strategic and collaborative use of different ETC, ENI programmes, national regional development programmes as

¹ The discussions mainly considered the Euro-Arctic region (although there are also clear links to Canada).

well as other territorial cooperation frameworks such as the Northern Dimension, the Barents Euro-Arctic Council, Arctic Council, Barents Cooperation and Nordic Council for Ministers in the Euro-Arctic region.

Territorial cooperation programmes have built up considerable expertise and knowledge in mobilising project partnerships in the Arctic. However, the Bodø Process discussions also acknowledged the need for these activities to consider jointly how their cooperation efforts in the Euro-Arctic region can evolve, in particular to share information, knowledge and expertise, and even work across programme boundaries to mobilise project partners and develop critical mass among organisations and networks with Arctic interests.

More specifically, the Bodø Process identified a common interest among countries and programmes in establishing a territorial cooperation initiative for sustainable regional development in the Arctic (referred to provisionally as “ARC-NET”)² to enable the sharing of information, knowledge and expertise between ETC, ENI programmes and other territorial cooperation frameworks on Arctic-related issues and encourage capacity building.

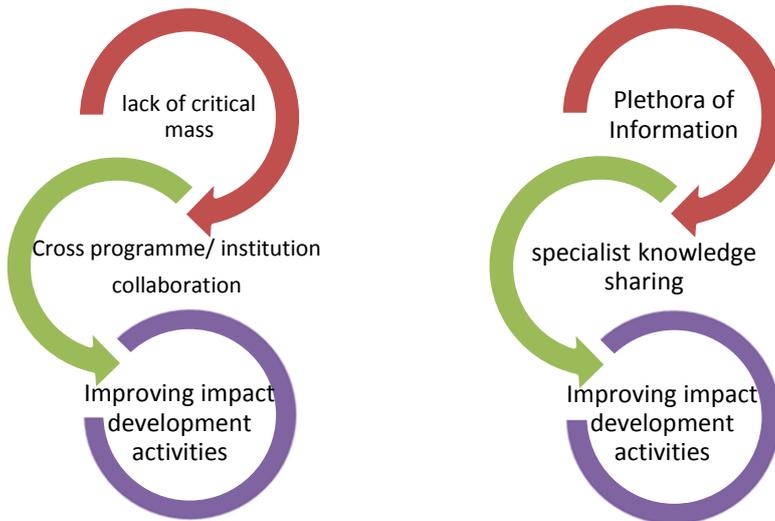
3. RATIONALE – WHAT IS THE NEED FOR ARC-NET?

The discussions with the various stakeholders in Arctic cooperation identified, firstly the lack of critical mass of stakeholders in the Arctic region as a key challenge for cooperation partnerships. As the Arctic is a sparsely populated region, it inherently has a limited pool of beneficiaries to draw from. At the same time, there are a significant number of overlapping institutions and programmes that are concerned with Arctic development challenges and engage in territorial cooperation activities. These institutions and programmes often have limited capacity due to practical reasons (remoteness, limited funding, etc.) which can constrain their ability to influence key institutions.

In order to improve the impact, efficiency and effectiveness of, and to achieve synergies between, cooperation programmes and other organisations that are concerned with Arctic development issues, a collaborative approach is required. Figure 1 demonstrates the lack of critical mass of stakeholders in the Arctic region as a key challenge; cross programme and institution collaboration can address this challenge; which would allow the implementation of activities that have a greater impact and are more efficient and effective in terms of their use of public resources.

² There has been considerable debate with regards to the name of such a facility (closely linked to the types of activities that it carries out. Suggested alternatives include amongst others: Arctic Think Tank, Horizon Scanner and Coordination Mechanism.

Figure 1: Two rationales for collaboration



A second rationale for Arc-Net is that there is a need for up to date strategic information on Arctic development issues. Monitoring rapidly changing developments on an ongoing basis is a considerable undertaking for organisations. Furthermore, there is an increased demand for more strategic project activities. In this context a collaboration mechanism could provide an analysis of the plethora of information that is available and that would provide 'foresight' information that can help programmes and organisations to select project activities more strategically. As such there is an 'information gap/opportunity', for a system of specialist knowledge sharing and exchange, with a view to facilitating cooperation and collaboration, informing the management and implementation of Arctic cooperation activities and supporting them in operationalising territorial cooperation between Arctic partners as well as between near-Arctic and Arctic partners.

It should be noted that many programmes and organisations already have their own systems of monitoring information. Furthermore, there are already a considerable number of institutions and organisations that provide an analysis of Arctic development issues. The discussions at the Bodø and Brussels seminars as well as interviews with stakeholders suggest that the majority consider the first rationale more important. Therefore, priority should be given to facilitating cooperation activities and collaboration on Arctic issues across countries, programmes and organisations.

4. STAKEHOLDERS

ARC-NET is envisaged as an inclusive voluntary network which involves a broad range of programmes and organisations in the Arctic region. These include:

- ETC programmes: Northern Periphery and the Arctic Programme, Baltic Sea Region Programme, North Sea Region Programme – and two cross border programmes: North and Botnia-Atlantica.
- ENI programmes: Kolarctic, Karelia and South East Finland-Russia
- National based regional development programmes
- Arctic Council Secretariat, Nordic Council of Ministers (including NORA), Barents Euro-Arctic Council, Northern Dimensions (including partnerships on Environment, Public Health and Social Wellbeing, Transport and Logistics, Culture and the Northern Dimension Institute), Barents Secretariat
- Strategy of social and economic development of the North West Federal District of the Russian Federation
- Regional counties in the northern area
- Cooperation networks between universities (in particular UArctic)
- Other networks and organisations such as Northern Sparsely Populated Areas Network, Forum For Arctic Research Operators, EU European Arctic Information Centre

The level of involvement of each organisation can be varied, depending on their own specific requirement and how they relate to the core functions of the network.

5. FUNCTIONS OF ARC-NET

A number of more specific functions/ activities were identified in the scoping paper in preparation for the meeting in Brussels on the 9th April 2014. These were discussed during the meeting and also in subsequent interviews with key stakeholders. Although all activities were considered of value, some were considered more important/beneficial than others. The activities in Figure 2 are organised according to the priority given to them by stakeholders. A majority of participants were very supportive of activities relating to engagement and implementation. Several participants noted that there was less need for activities in relation to monitoring.

Particularly activities in relation to engagement were considered of high value to the programmes and organisations. Many programmes and organisations recognised the benefit of organising a regular forum through which key stakeholders could meet and discuss latest developments and exchange information. Also the involvement of near-Arctic partners was considered extremely positive.

However, a number of challenges were identified in this context. Most importantly, although an inclusive and broad network that would include all the programmes and institutions that are involved in Arctic regional cooperation as well as the regional based development programmes, was considered desirable by all stakeholders, considerable practical difficulties were identified in terms of launching such a broad network. The main concern is that it would become unclear what the network is aiming to achieve and what its scope is. Defining the scope of the network is crucial, given the voluntary nature of the network it must be a clear what the incentive for organisations to participate.

During the meeting there were slightly different views in terms of the scope of the network. On the one hand, there was strong support for a broad network involving ETC/ ENI, regional programmes as well as the Regional Councils (AC, NCM, BEAC, ND, etc.). On the other hand, there were concerns about the focus of the mechanism if it would take a broad approach. There is evidence to suggest that successful collaborative approaches are often gradational in nature³ based around the idea of 'small wins' and incremental steps. As such it is worth considering if a collaborative mechanism can be initiated involving a limited number of key stakeholders which have a strong incentive to collaborate whilst maintaining the intention to evolve the network and to include or liaise with a broader range of organisations and institution. In practical terms, this would initially mean closer collaboration between the ETC and ENI programmes and where possible include regional development programmes, Regional Councils (AC, NCM, BEAC) and other organisation involved in cooperation initiatives.

Several participants also stressed the need to develop the mechanism in relation to a practical issue from which it could potentially grow/ evolve. The North Sea Region Programme has past experience in terms of establishing a network between five ETC programmes which was based around the 'safety at sea' theme (see Box 1). One suggestion was to initially organise a network which aimed to map projects and stakeholders across the different programmes that are involved in Arctic cooperation in order to create an online database. The database would directly contribute to the rationale of Arc-Net (e.g. managing stakeholders to maximise critical mass) and as such would provide a clear incentive for programmes and institutions to participate.

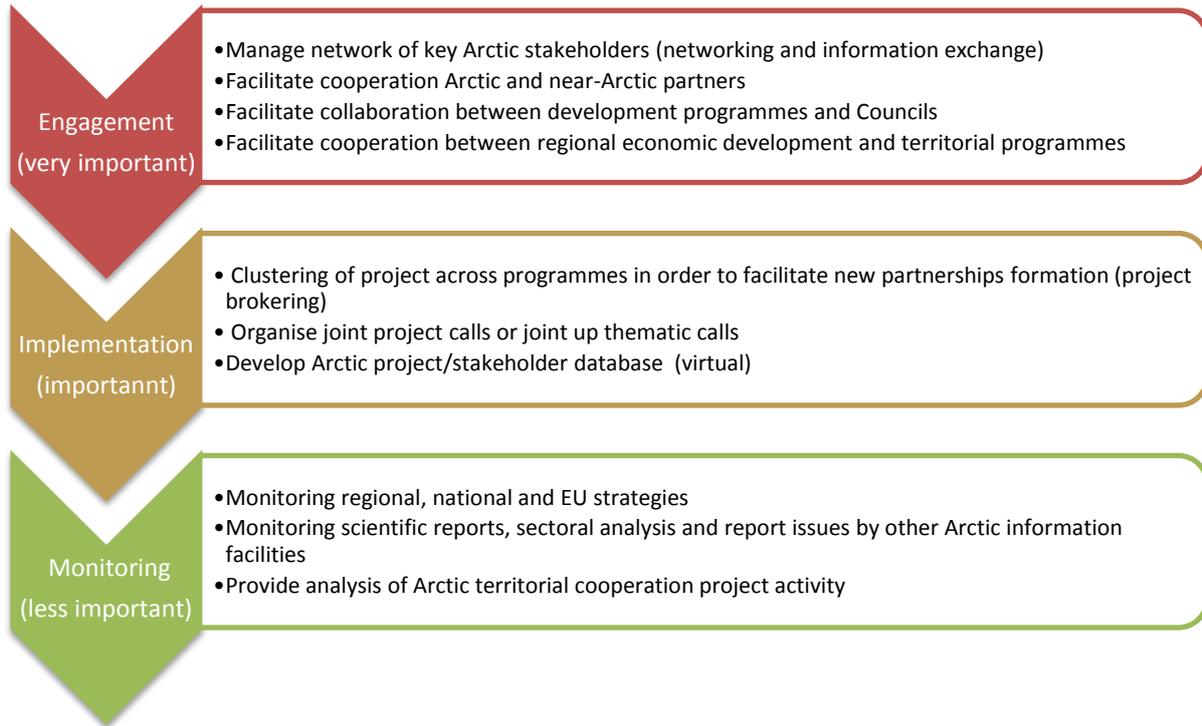
Box 1: Maritime Safety Umbrella Operation

The Maritime Safety Umbrella Operation (MSUO) was established in 2004 and consisted of the North Sea, North West Europe, Northern Periphery, Baltic Sea and initially the Atlantic Space programmes. The MSUO was defined as an Interreg Cross Programme's enhancement that assisted Maritime Safety Projects. Its tasks were identified in a number of work-packages consisting of project to projects cooperation, networking and liaising, joint publicity and dissemination and umbrella operation management. The MSUO activities consisted of organising a number of conference and workshops, a newsletter, review of projects, organise project to project activities, create a MSUO database, an realisation of technical studies. The unit closed in 2007 due to resource constraints.

Considering the substantial information flow (research finding, government strategies, policies etc.) that is produced in relation to Arctic development challenges, a number of programmes also expressed a need for increased monitoring capacity. Monitoring can be a challenge, particularly for smaller programmes. However, for others this was not a key concern as this information was perceived to be only really required at the start of the programme period. Furthermore, it was noted that other networks and organisations are already engaged in similar activities such as Nordregio and the recently established EU Arctic Information Centre.

³ Ansell and Gash (2007) Collaborative Governance in Theory and Practice, available at: <http://sites.duke.edu/niou/files/2011/05/Ansell-and-Gash-Collaborative-Governance-in-Theory-and-Practice.pdf>

Figure 2: list of possible functions for ARC-NET according to priority



6. ORGANISATIONAL STRUCTURES

The scoping paper presented three options as to how the collaboration mechanism could be organised. These were:

- Subcontracting Arctic research projects in order to inform monitoring bodies on an ad hoc basis on specific topics of interest
- A voluntary collaborative network consisting of regional development programmes and other institutions that are engaged in territorial cooperation activities in the Arctic
- A permanent organisational structure with its own dedicated secretariat either housed in an existing organisation or programme or established as a new entity.

The prevailing view during the meeting and in the interviews was to establish a networked organisation of one or more nodes that can provide a certain level of expertise in relation to the activities ARC-NET intends undertake. Several suggestions were made of where such nodes could be located:

- the Norwegian Government proposed Tromsø as a possible location and suggested the node could have close links to the Arctic Council Secretariat and other Arctic institutions located in the city;
- The Northern Periphery and Arctic programme secretariat was also considered as a potential node (although there were some concerns in relation to ensuring the equal footing of the programmes in relation to this option); and
- the Scottish Government also expressed an interest in hosting a node in Scotland, potentially involving staff secondment.

There are a number of other organisations that have complementary tasks. In this context, the role of for example INTERACT, the Northern Dimensions Institute (NDI) and EU Arctic Information Centre (AIC) in this network should also be further explored. INTERACT has considerable expertise and experience in terms of facilitating cross programme collaboration. However, its remit does not go beyond EU-led cross border and transnational activities. The NDI and AIC are networked organisations of knowledge institutes and part of their task concerns 'outreach activities' – communicating research results to policy makers and general public. However, they do not directly engage with regional development project activities.

The different nodes could each have a specific focus. For example, Tromsø could be responsible for liaising with other regional councils and networks; a node in NPA could be responsible for collaboration between EU-led programmes; a node in Scotland could be focussed on near-Arctic engagement. In order to organise such a network of nodes across the programme area, it would be necessary to identify one coordinating node resourced so that it could engage with stakeholders and ensure a coherent approach across the nodes.

7. RESOURCING

ARC-NET is intended to tackle a broad range and of often complex activities. In order to have the capacity to carry out these functions it requires proper resourcing. Considering the scale of activities, a certain level of permanent staff seems necessary. Several countries and programmes have committed to various degrees to financing ARC-NET:

- Norway is committed to providing finance for a collaborative network for which a node would be based in Tromsø where it can be close to the Arctic Council Secretariat and have close connections to other networks such as the Arctic working groups.
- The Scottish Government supports the initiative for increased collaboration in the Arctic and near-Arctic and is looking at options to finance Arc-Net. Scotland also wants to explore what role INTERACT could have in terms of organising the initiative.
- The European Commission is committed to ensuring the required coordination of ETC programmes with national/regional programmes as part of the Partnership Agreements, and intends to stress the importance of taking account of the Arctic dimension in relevant programme negotiations.
- The NPP programme has funding available for a preparatory project which would assist to establish an organisational structure based on the conclusions from Bodø process and the results from a previous NPP preparatory project.
- From the other programmes perspective it is difficult to commit budget to the initiative as the programmes have not been approved yet. This is particularly the case for ENI programmes around which there appears to be more uncertainty.

8. THE WAY FORWARD

The development of ARC-NET is an ongoing and incremental process. An initial starting point could be an annual conference which would form a main pillar of ARC-NET. Considering the proposed functions in Section 5, an annual conference would gather the broad range of organisations, actors and stakeholders (as outlined in Section 4) involved in regional development within the Arctic and neighbouring regions. To some extent, this approach mirrors that taken by the Baltic Development Forum (see Box 2). The annual conference could be coordinated with other relevant initiatives (such as the Arctic Economic Council, EUAIC and Northern Dimension Institute) which may have some areas of common interest with ARC-NET activities.

Box 2: Baltic Development Forum

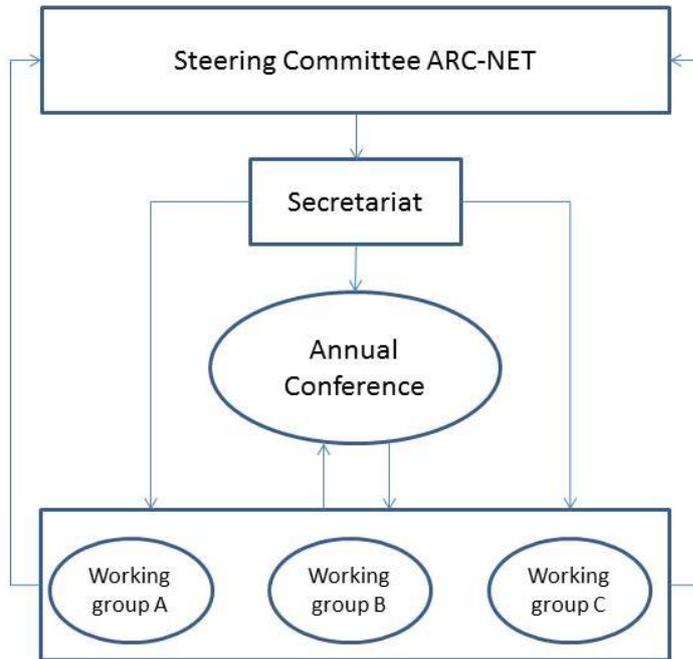
The Baltic Development Forum Foundation was established in November 1998. The network comprises more than 8000 individual from private/public sectors, academia and media from and outside the Baltic Sea Region. Baltic Development Forum provides platforms that bring together actors from diverse sectors and from across the Baltic Sea Region, ensuring better cooperation, coordination and coherence. The forum influence regional policy and facilitate collaboration across regions, sectors and levels of decision making. The forum organises an annual summit, submits annual reports on the state of the region and relevant themes.

The annual conference could have a number of 'fixed' elements on the agenda (e.g. State of the Arctic region overview, statements on recent political developments, etc.) and a shifting thematic focus depending on recent developments. A secretariat located in the coordinating node could be responsible for the organisation of the conference. This secretariat could also serve the network's steering committee and be responsible for PR and general information.

A number of permanent working groups could be setup under this umbrella and different nodes could be responsible for the organisations of their activities. For example, a group consisting of ETC, ENI and national based EU funded development programmes could be organised as a permanent working group. One of the participating programmes could organise the working group with the potential support and facilitation from INTERACT. Another working group could consist of 'political' organisations such as the Arctic Council, the Nordic Council of Ministers, Northern Dimension, Barents Euro-Arctic Council etc. These permanent groups could organise their own annual meetings. The purpose of these meetings would be to discuss practical collaboration initiatives.

In organisational terms the relationship between the permanent working groups and the umbrella secretariat could be established via the overall steering committee where working groups should have at least one member to represent them. Vice versa the secretariat can be a member of the working groups. The umbrella organisation and working groups could run a shared webpage for exchange of information between working groups (see Figure 3).

Figure 3: High level Organisational structure ARC-NET



As ARC-NET would be a networked organisation, finance should be provided by those that participate in the different elements. Thus an umbrella secretariat and an annual meeting could be financed by participating governments and those programmes that are involved in the network. The working group meetings could be financed by those organisations and programmes that participate in the specific working groups.

This initial framework for ARC-NET presents considerable scope and opportunity to advance the concept and move towards other forms of collaboration (e.g. joint project development, integrated project calls, strategic foresight development, etc.). The framework provides an access point for a broad range of actors whilst at the same time flexibility to advance productive regional cooperation between stakeholders that have close common interest.