



CPMR NORTH SEA
COMMISSION

North Sea Region 2020

North Sea Commission Strategy – Contributing to the Europe 2020

Foreword

This strategy document demonstrates how the North Sea Commission aims to contribute to the implementation of the Europe 2020 Strategy.

The North Sea Region 2020 strategy was adopted in October 2011. The Strategy signaled a commitment to supporting Europe 2020 objectives and set out key areas for joint action and engagement in the North Sea Region. Since 2011 work to meet the Strategy's goals has been ongoing. Five years on from the adoption of the Strategy and in the context of rapidly changing policy and economic conditions, it is now important to revisit, review, and refresh the Strategy.

A 'bottom-up' Strategy review process has involved NSC members and other regional authorities in the North Sea Region, as well as stakeholders from NGOs, industries and academia. The NSC has also received advice from partners in Brussels, from EU Commission Directorate-Generals, and relevant regional offices. I would like to thank all who have contributed to the process. Particular thanks go to the North Sea Commission's internal work groups, who, through their efforts, show show the added value of working together.

I am proud to present the revised North Sea Region 2020 Strategy – a strategy designed the challenges, and take advantage of the opportunities, the North Sea region offers; and provide a coherent strategic framework for how we can address the development of the Region together



*Kerstin Brunnström
Acting President
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Executive Summary

The North Sea Region 2020 Strategy was developed by the North Sea Commission to help address challenges and opportunities faced by regions around the North Sea, and ensure the region's contribution to long-term strategies and goals, in particular the Europe 2020 Strategy.

The Strategy offers a means to facilitate collaborative and coordinated cooperation and a framework for greater policy and practical exchange, integration, and coherent development. The Strategy's specific aims are to ensure that the strength and competitiveness of the North Sea Region is maintained, and the region further develops as a sustainable and attractive region which is an engine for growth in Europe. Four strategic priority areas are

identified, where there is an added value in working collaboratively to solve transnational issues.

In addition to the priority areas identified by the North Sea Region 2020 Strategy, a number of guiding principles run as common themes through all four strategic priority areas. These are: innovation, excellence, sustainability, skills and R&D, stakeholder involvement and visibility. The guiding principles are integrated in the implementation of all policy areas. Strategy implementation is supported by an annually reviewed action plan.

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North Sea Commission in brief:

The North Sea Commission (NSC) is a cooperation platform for regions around the North Sea. Our mission is to further partnerships between regional authorities which face the shared development challenges and opportunities presented by the North Sea. Through dialogue and formal partnerships the NSC seeks to promote common interests, especially in relation to European Union institutions, national governments, and organizations dealing with issues relevant to the North Sea.

The North Sea Commission is one of six geographical commissions under the Conference of Peripheral Maritime Regions (CPMR). The CPMR brings together 160 regions from 28 states, both members and non-members of the European Union, and thereby represents almost 200 million people. It campaigns in favour of a more balanced development of the European territory, and is also working towards the delivery of an integrated maritime policy designed to contribute towards Europe's economic growth.

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Introduction

The North Sea Region (NSR) is a functional area defined by the North Sea, covering the North Sea regions of Denmark, Sweden, Germany, the Netherlands, Belgium, the UK, France and Norway. North Sea regions share strong historical and cultural ties and a long history of exchange through intensive trade and tourism. The NSR comprises leading European regional economies, covering major urban centres and rural, peripheral communities¹.

The region is an engine for growth in Europe, with concentrations of sectoral strength², skills, know-how, best practice and centres of excellence. Significant opportunities remain to not only promote balanced development within the region but build on the leading European and global position of North Sea Region economies.

The NSR 2020 Strategy was developed to help address the challenges and opportunities the region faces, and ensure a NSR contribution to long-term EU strategies and goals, in particular the Europe 2020 Strategy. Europe 2020 is the European Union's growth strategy, which aims for smart, sustainable and inclusive growth. It sets five key targets on employment, innovation, education, social inclusion and climate/energy to be met by 2020. In line with these goals, the potential for growth in the maritime economy is identified as a key strength in the European economy⁶.

The North Sea Region (NSR) includes a number of strong economies and is one of the most successful regions in Europe. Its unique character builds on strong ties, shared cultures and closely related languages. The NSR therefore has the potential to act as an engine for growth in Europe by sharing best practices and acting as a centre of excellence for the wider EU issues. Great opportunities exist in the NSR which need to be unlocked, and it is therefore important to acknowledge that not only less advantaged regions need to catch up; successful regions need to improve to stay competitive globally. The NSR 2020 strategy is designed to address the challenges and opportunities the region faces and to ensure NSR contribution to long-term EU strategies and goals.

The maritime sector is at the heart of economic development in the NSR. North Sea fisheries provide high quality fish and shellfish, and sustain associated industries. Oil and gas are major industries in regions around the North Sea. The North Sea has some of the busiest shipping lanes in the world, making it a global hub for maritime transport and trade. As a source of renewable energy the North Sea, with its strong winds, waves and currents, is a vital resource not just for the region but for Europe as a whole.

Policy, economic and environmental contexts in the region are dynamic and changing. As a result, there is a need to continually diversify and adapt. For example, opportunities for future economic growth exist within highly specialised maritime clusters with cutting edge technology in various fields, notably geared to the environment and favouring green growth. Through regional cooperation and collaboration, these opportunities can be better developed, better connected and made more mobile throughout the region, advancing the North Sea Regions position as a centre for innovation, excellence and best practice.

The North Sea Region 2020 Strategy's overall goal to help ensure and maintain an attractive and prosperous North Sea region in which to live, work, visit and invest for its citizens. The North Sea Region 2020 aims to help foster and develop an attractive and international area for citizens, businesses and organisations and a better governed region, with improved cooperation and coordination between all levels of government and sectors. In doing so, the NSR 2020 supports the objectives of the Europe 2020 Strategy and contributes to the goals of smart, sustainable and inclusive growth for Europe. The strategy aims to provide a framework for greater policy integration and coherent development through coordination and cooperation in the North Sea Region.

North Sea in Numbers:

The necessity to establish a common evidence base for the North Sea Region was identified early in the revision process of the North Sea Region 2020 strategy document. North Sea in Numbers (annexed) has been developed to provide North Sea specific statistics and information. The analysis provides background data and numbers to complement and contextualize the revised strategy.

The study covers the regions around the North Sea in order to provide an analysis of the region as a whole. Where possible, the analysis is based on NUTS 2 level data. However, for some indicators comparable data is only available at NUTS 1 or national levels.

The North Sea in Numbers has been compiled by Irene McMaster at European Policies Research Centre, Strathclyde University for the North Sea Commission.

The North Sea Commission of the CPMR requests the Dutch Presidency of the European Union to take a leading role in driving the process for closer strategic cooperation between the member states and Norway on a *North Sea Agenda*. North Sea Commission gives its full support and offers our cooperation to the Dutch Presidency in this ambitious and necessary task.

NSC Assen Declaration 2015

Successful future marine cooperation in the North Sea region will require strong and effective political leadership.

UK House of Lords Report 2014: The North Sea under pressure: is regional marine co-operation the answer?

The region of the North Sea has for many decades – if not centuries - hosted maritime industries and developed clusters as well as hubs of knowledge and expertise. While there are ongoing collaborations between varieties of stakeholder groups, it is essential that the research and education potential and infrastructure that exist in the region are supported in the future through public and private financing.

Study on Blue Growth and Maritime Policy within the EU North Sea Region and the English Channel, DG Mare Report 2014

The North Sea is an economic maritime heavyweight in Europe and provides a huge potential for enhancing the blue economy and boosting the region's competitiveness. Cooperation at seabasin level has an essential role to play in building on this potential.

DG Mare, March 2016

The European Parliament allocates €250 000 for a regional strategy for the North Sea Region to investigate the added value of a future macroregional strategy for the North Sea. A strong North Sea Region has the potential to act as an engine for growth in Europe, and contribute to the objectives of the EU2020 strategy.

EP, Reasoning for Preparatory Action, 2013

There is a significant need for an integrated approach to the total North Sea

Dutch North Sea 2050 Agenda, 2014



¹ Table 2 and 3 – North Sea in Numbers

² <http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&plugin=1&language=en&pcode=tgs00024>

³ <http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&plugin=1&language=en&pcode=tgs00024>

⁴ <http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&plugin=1&language=en&pcode=tgs00024>

⁵ Section 7 – North Sea in Numbers

⁶ DG Mare, (2012) Progress of the EU's Integrated Maritime Policy', DG Mare: Brussels

http://ec.europa.eu/maritimeaffairs/documentation/publications/documents/imp-progress-report_en.pdf, p. 3.

1. Purpose and objective

To effectively meet development opportunities and challenges in the North Sea Region there is a recognised need to improve the coordination of funding sources and cooperation efforts. The region's numerous existing cooperation programmes, projects and initiatives are extremely valuable. However, there is a risk that they can operate in isolation and miss opportunities to share know-how, broaden their impact, and extend results. The North Sea Commission therefore prepared the NSR 2020 as a means to facilitate more 'coordinated cooperation', providing a framework for greater policy and practical exchange, integration, and coherent development.

The idea of developing area-based strategies to address shared challenges within a defined geographical area is well-tested. There are EU macro regional strategies for the Baltic Sea, the Adriatic-Ionian Sea, the Alpine Region and the Danube Region. A sea basin strategy has been developed for the Atlantic area. Experience from existing

strategies demonstrates that a strategic approach and prioritised actions can offer a framework for bringing together complimentary but fragmented actions across levels and sectors, lead to the development of new platforms for policy innovation, develop sustainable growth, improved competitiveness, and innovation.

It is important to emphasise that the rationale for the NSR 2020 is distinct from that of existing EU strategies; which are primarily motivated by a need to improve socioeconomic cohesion, competitiveness and environmental performance. The NSR 2020 is designed to ensure that the strength and competitiveness of the North Sea Region is maintained, and the region further develops as a sustainable and attractive region which is an engine for growth in Europe. Thus, the objective of the strategy is to focus on transnational issues, where there is added value in working collaboratively.

2. Scope

The North Sea Region is more than the sea basin which physically links the region. Geographically, the region covers the North Sea regions of Denmark, Sweden, Germany, the Netherlands, Belgium, UK, France and Norway. It is important that the Strategy is relevant for, engages with, and benefits all communities in the region. The geographic scope of the Strategy is not closely defined. This allows the Strategy to remain flexible and relevant on specific themes, e.g. issues to be tackled may involve inland and hinterland areas, as well as coastal regions, e.g. transport, environmental issues and water management.

The thematic scope of the North Sea Region 2020 Strategy is based around four priority areas, which are shared regional development concerns in line with the Europe 2020 Strategy and relevant national policy priorities, and have the scope to benefit from joint/collaborative actions. The Strategy aims to support sustainable growth and

improve the quality of life for the regions' citizens by:

- tapping into 'blue' resources
- promoting a more environmentally friendly and efficient transport sector,
- addressing energy and climate issues facing the region, and
- promoting local businesses and partnerships in order to help create vibrant local communities.

In pursuing these aims the Strategy will promote innovation and seek to support a skilled and relevant workforce for the future.



3. Challenges and opportunities

The North Sea 2020 strategy addresses key perceived challenges and opportunities for the regions around the North Sea. These challenges and opportunities are reflected in the four strategic priority areas. In these areas, greater strategic cooperation between different governmental levels and with a range of stakeholders offers the potential to make best use of resources to address shared strategic objectives and deliver concrete benefits for the region and its people.

Challenges:

Accessibility: Both physical and digital connectivity are challenges. The most peripheral regions around the North Sea need better access to the markets. Improved framework conditions are needed to facilitate a modal shift from road transport to rail and sea. Broadband and digital connectivity are still poor in many North Sea regions⁷. Improvements in these areas are seen as crucial for fostering economic development.

Energy transition: Dependency on oil and gas is a challenge for many North Sea regions. A shift to renewable energy sources would contribute to diversifying the economy, and addressing climate change. Given the rapid expansion of offshore wind farms⁸, common standards for their construction, safety, noise and visual pollution must be agreed. A prerequisite for climate adapted utilisation of these energy resources will be an interconnected grid, which can help the transition to renewable sources with optimal use. Such cooperation requires formalisation, as well as national level leadership and participation. To cope with these changes investment in network infrastructure is needed both onshore and offshore.

Pollution/emissions: Economic development and increasing pressure from human habitation have greatly compromised the North Sea's ecosystem and led to major environmental problems. The sea and its beaches are affected by plastic waste contamination, eutrophication, pollution of waters with chemicals and heavy metals from industry, shipping and the extraction of natural gas and oil. Data on environmental management and conditions is held by hundreds of different institutions; making it difficult to get a comprehensive picture. Better coordination and exchange of data is key to knowledge based decision making.

Climate Change: Sea level rise and the increased danger to coastal areas from flooding caused by climate change will have an effect on the countries around the North Sea⁹. Climate change can also put a further burden on the marine ecosystem through warming, water acidification, and the influx of new species. Regions have an important role to play in climate mitigation and adaptation.

Managing maritime space: The maritime space faces pressures from competing activities in the region. For example, over coming years the anticipated increase in the number and size of offshore wind farms and increases in shipping and size of ships will lead to increased competition for space between users of the sea. A successful implementation of the MSP directive, with coordinated effort from different governmental levels and stakeholders will be important for a balance between environmental protection and blue growth.

Human resources: The North Sea Region faces a long-term demographic challenge, creating pressure on key services, such as health, transport and leisure¹⁰. The region must continue to be an attractive place to live, with good jobs and a vibrant cultural life. Many regions in the North Sea area have been negatively impacted by the economic decline and unemployment¹¹. The region must remain competitive, attractive to highly skilled labour in key sectors, and responsive to a changing economic climate and recovery in key sectors, such as maritime transport and offshore operations.



Opportunities:

Interconnectivity and infrastructure: The comprehensive trade in the NSR and access to major international ports is a significant resource for the further development of efficient and sustainable freight transport by sea¹². Short sea shipping and motorways of the sea can be further developed and better connected with inland waterways in the region¹³.

Energy transition and renewables: The natural environment in the North Sea Region offers great potential for renewable energy¹⁴, the expansion of which is crucial to meeting climate change targets and to future economic growth and jobs in the region. Energy from wind, wave, tide, hydropower and biomass can be further developed, researched and promoted. Planning for a North Sea Grid – a comprehensive energy network - has been set in motion to realise the full potential of renewable forms of energy. Collaboration between NSR States, regions and private partners could foster the necessary progress towards a fully functioning North Sea Grid. Fibre-optic cables adjacent to the interconnectors are also seen as a great opportunity for spin off for local development for the North Sea Grid.

Natural resources: The sustainable use of natural resources will continue to be a significant opportunity for the region. This can be tackled collectively and must be coordinated in order to prepare the basis for future sustainable development of natural resources. Robust, strategic planning and good governance increases the opportunity to build and maintain sustainable development. For example, joint and collaborative efforts in spatial planning can make sure that the space and resources available are used in the best possible manner.

Creative industries and innovation: Innovation, research and development and the creative industries are key features of the region¹⁵. Future development relies on knowledge sharing in order to create new products and services. With improved cooperation and combined efforts, this position of strength can be reinforced and further developed to make the North Sea Region a centre of excellence.

Skilled and educated work force¹⁶: The creative and cultural economy in many regions of the North Sea Region will assume increasing importance for growth and employment. Coastal regions around the North Sea have been closely connected through migration flows, close trade relations and shared maritime traditions for centuries. Cross-thematic research initiatives for the region could be launched, geared to gather knowledge about the North Sea Region from all disciplines to underpin the innovation culture and the economic development.

⁷ Figure 36 North Sea in Numbers

⁸ Figure 29 North Sea in Numbers

⁹ Figure 42-44 in North Sea in Numbers

¹⁰ Figure 7 in North Sea in Numbers

¹¹ Figure 10 in North Sea in Numbers

¹² Figure 38 in North Sea in Numbers

¹³ Figure 33 and 34 in North Sea in Numbers

¹⁴ Figure 28 in North Sea in Numbers

¹⁵ Figure 24 and table 6 in North Sea in Numbers

¹⁶ Figure 12 and 29 in North Sea in Numbers

4. Strategic priority areas

MANAGING MARITIME SPACE

- Use maritime spatial planning as a tool to promote dialogue between different governmental levels and stakeholders
- Ensure sustainable and innovative exploitation of marine resources

INCREASING ACCESSIBILITY AND CLEAN TRANSPORT

- Ensure good access to the TEN-T Core Network for peripheral and maritime regions through funding instruments (the CEF and governance mechanisms (Core Network Corridor Forums))
- Facilitate modal shift from road to rail and sea
- Support measures and incentives to promote clean, efficient and inclusive transport, incl. Clean Shipping

TACKLING CLIMATE CHANGE

- Facilitate climate change adaptation and mitigation through local, regional and national levels
- Facilitate to a reduction of greenhouse gas emissions
- Promote energy efficiency as well as innovation and green growth in low-carbon technologies
- Foster strong regional, national and European support for the development of the North Sea Grid

ATTRACTIVE AND SUSTAINABLE COMMUNITIES

- Support the tourism sector in order to
 - be more sustainable
 - develop more diversified offers in coastal areas as well as in cruise tourism
 - develop cultural heritage, nature, outdoor and health tourism in coastal areas
- Support the development of permanent networks for cultural actors
- Improve policy coordination to address demographic and migration challenges
- Promote maritime clusters to continue to play an important role as provider of blue growth, jobs and innovation.
- Promote knowledge transfer and crossovers between different sectors in the North Sea Region

GUIDING PRINCIPLES

to be integrated in the work of all the key measures

- Innovation
- Excellence
- Sustainability
- Skills/R&D
- Stakeholder involvement
- Visibility

Managing Maritime Space

Maritime Spatial Planning (MSP)

The North Sea is a complex and open marine ecosystem, providing a nursery for fish and a migratory and wintering area for many species of birds. It is also one of the most heavily used seas, supporting fishing, shipping, trade, energy, sand mining/dredging, defense, and recreation activities. Increasing economic activity in the sea, such as growing shipping traffic and the development of offshore wind farms, leads to increasing competition between users of the sea. The key challenge for marine planning is to find a balance between different user interests, and between ‘blue growth’ and ensuring good environmental standards. A coordinated approach, taking cross border issues into account is needed to ensure effectiveness of national and EU policies.

The EU’s Maritime Spatial Planning (MSP) directive came into force in September 2014. Harmonised plans and policies aim to ensure effective use of space and the available resources. Close integration and coordination between MSP and integrated coastal zone planning (ICZM) is also paramount as coastal zones are the “hinges” between terrestrial and maritime systems. If a truly Integrated Maritime Policy is to be achieved, dialogue between all users of and regions around the North Sea is needed. Being one of the most heavily used sea basins in the world, the North Sea is an ideal area for piloting systems for stakeholder involvement. Within this process, regions have a key role to play as they have knowledge about local conditions and challenges and are in close dialogue with key stakeholders.

Marine Resources

The sustainable management and exploitation of marine resources is vital for the future of the North Sea Region. Covering the North Sea, the EU’s Common Fisheries Policy (CFP) sets rules for managing European fishing fleets and for long term and sustainable conservation of fish stocks. One of the more debated areas of the recent reform is the landing obligation. The socio-economic effects of the landing obligation are still to a large degree unclear at a regional level. Most concern is connected to bottom feeding demersal fisheries, as the pelagic fisheries are mostly single species catches. Fisheries-dependent communities fear a rigid, inflexible and heavy-handed implementation of the landing obligation, with no changes to the management system. The industry is, parallel to this, developing selective gear to avoid unwanted catch.

The European Commission’s blue growth communication¹⁷ identifies aquaculture as one of the areas with highest growth potential. Wild fish alone cannot meet the global demand for healthy seafood. Development of sustainable aquaculture activities can contribute to food security, growth and employment. In order to develop the industry in a sustainable manner issues relating to environment and health must be top of the agenda.

NSR 2020 key action areas:

- Use of maritime spatial planning as a tool to promote dialogue between different governmental levels and stakeholders
- Ensure sustainable and innovative exploitation of marine resources



¹⁷European Commission Blue Growth communication: <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=COM:2014:254:REV1&from=EN>



Increasing Accessibility and Clean Transport

Ensure good access to the TEN-T Core Network for peripheral and maritime regions

The North Sea Region is positioned as a central transport and trade hub for Europe. The countries around the North

Sea constitute a potential market of over 250 million consumers. Industry and consumer demand creates large flows of both imports and exports to and from the region. The efficient movement of goods and passengers depends upon well-functioning transport corridors and effective interconnections across transport modes, e.g., from road to rail to sea.

The core network corridors of the Trans-European Transport Network (TEN-T) will provide an important platform for coordinated infrastructure development in the NSR. Concepts like Motorways of the Sea (MoS) and short sea shipping can reduce congestion by transferring the transport of goods from road to sea, improve the accessibility of peripheral regions and stimulate regional competitiveness.

The southern part of the NSR is generally well integrated into core European networks, and is therefore also eligible for funding from the Connecting Europe Facility (CEF) instrument. Ports and transport corridors in peripheral areas of the NSR, e.g. Northern Scotland, Northern Denmark and Norway, are however usually not included in the core network and have limited access to funding for transport infrastructure. It is therefore important to ensure that more ports and corridors in peripheral areas are included in the core network in future revisions of the TEN-T policy. It is also vital that regions and ports outside the core network corridors are entitled to fully participate in and contribute to the forums that have been established for their implementation.

Facilitate modal shift from road to rail and sea

The competitiveness of maritime transport is vital to ensure transfer of cargo from road to sea and to improve accessibility to peripheral areas¹⁸. In order to facilitate a modal shift from road to sea, it is even more important to allow for incentives to minimize the financial risks in starting up and operating sea transport services for stakeholders in the sector, e.g., port authorities, ship owners, freight forwarders and other haulage companies. CEF funding for Motorways of the Sea should be increased and the eligibility rules should be better adapted to the needs of stakeholders not located on the Core network.

The Sulphur directive¹⁹ has forced the shipping industry to implement costly solutions for cleaner engines to comply with the requirements of the Directive. It is feared this could contribute to a reverse modal shift by making road transport relatively cheaper and more attractive – contrary to the objectives of EU and national transport policies. Environmental solutions must operate within a global market where costs and competition are paramount.

The removal of regulatory barriers in line with the EU Railway Package and major infrastructure investments are vital to achieve this ambition. It is also important that rail infrastructure complies with relevant technical standards such as the ERTMS (European rail traffic management systems).

Clean, efficient and inclusive transport, including clean shipping

A mix of different measures is required to make transport cleaner. Demand and mobility management and the optimization of multimodal logistic chains may reduce people's travel need, and minimize distances and volumes for freight. The introduction of greener fuels from electricity, bio-sources and hydrogen will reduce GHG emissions. It is therefore important, with good funding programmes and incentive schemes on the European and national levels, to promote technological development and increased uptake of cleaner fuels in the transport sector. Relevant solutions must be tested, harmonised across borders, and made affordable to ensure large scale take up. In rural areas where there is no market for conventional public transport it is necessary to develop demand-responsive services. It is also important that the transport system is adapted to the needs of different population groups, including elderly and people with disabilities.

It is important that shipping becomes more environmentally friendly in line with relevant international and European regulations. The North Sea is a prime location for maritime pilot projects with global implications for improved environmental and safety standards for maritime transport and the promotion of Short Sea Shipping. With its network of ports and commercial shipping, as well as public agencies operating in national contexts, the North Sea is an ideal testing ground for solutions which can be applied world-wide through collaboration with maritime stakeholders. The EU and the Member States in the NSR must make continuous efforts to offset the increased costs incurred by the Sulphur directive.

NSR 2020 key action areas:

- Ensure good access to the TEN-T Core Network for peripheral and maritime regions through funding instruments (the CEF) and governance mechanisms (Core Network Corridor Forums)
- Facilitate modal shift from road to rail and sea
- Support measures and incentives to promote clean, efficient and inclusive transport, incl. Clean Shipping

¹⁸ Figure 34 in North Sea in Numbers

¹⁹ Directive 2012/33/EU

Tackling Climate Change

Adaptation and Mitigation

One of the major challenges facing the North Sea Region is climate change, and the related adaptation and mitigation measures that this will require. The impacts of climate change vary by region. Rising sea levels and the increased danger to coastal areas from flooding at times of extreme weather conditions are a shared threat to countries bordering the North Sea²⁰. Climate change will add stress to fisheries, agriculture and aquaculture sectors, and will have severe effects on coasts and marine ecosystems. The coastal zones erosion rate will increase and existing coastal defense mechanisms may prove inadequate²¹. For the North Sea, these are all important issues which impact key sectors of the economy. These wide ranging, complex, interrelated issues frequently require common or coordinated strategies and approaches developed across policy and geographic areas.

While all the countries in the NSR have, or are planning to adopt separate national climate strategies, as foreseen by the United Nations Framework Convention on Climate Change (UNFCCC), there is an opportunity for coordination and the development of a collaborative approach to address climate change in the common resource that is the North Sea. Developing the knowledge base through joint research, sharing data, cross border studies etc. will be paramount to the development of a common and innovative approach to adaptation and mitigation.

Low Carbon Economy

Dealing with climate change also means investing in the development of the low-carbon economy, promoting innovative ideas and solutions to promote energy efficiency, and developing green technologies²². A related issue is to raise awareness amongst the public and business communities in the region to the issues involved and options available. With these challenges also come opportunities. The NSR can position itself in a way that supports adaptation to changing climate and the development of new 'green' practices, industries and technologies.

Geographical conditions mean the North Sea Region has a huge potential for renewable energy. As fossil fuel resources become depleted and taking advantage of a

shift towards renewable energy, the NSR can capitalise on its natural, technological and skills resources to explore large scale wind, wave and tidal energy projects. The cost of renewable energy technologies remains high and joint approaches could be keys to boosting their development and competitiveness.

Such steps complement wider policy initiatives. The EU Directive on renewable energy sets ambitious targets for all Member States, i.e. the EU will reach a 20 % share of energy from renewable sources by 2020.²³ EU countries have already agreed on a new renewable energy target of at least 27% of final energy consumption in the EU as a whole by 2030. This target is part of the EU's energy and climate goals for 2030²⁴. Renewable energy in the North Sea Region will play an essential role in meeting these targets. In its communication "Energy infrastructure priorities for 2020 and beyond", the European Commission acknowledges the energy production capacities in the Northern Seas and proposes that an offshore grid in the northern seas with connection to Northern as well as Central Europe is among the priority corridors which will make Europe's electricity grids fit for 2020. Member States have chosen a regional approach and developed agreements with the objective to coordinate offshore wind and infrastructure developments in the North Sea. In 2016 a political declaration on energy cooperation between the North Sea Countries was signed under the Dutch Presidency.

NSR 2020 key action areas:

- Facilitate climate change adaptation and mitigation through local, regional and national levels
- Promote energy efficiency as well as innovation and green growth in low-carbon technologies
- Foster strong regional, national and European support for the development of the North Sea Grid
- Facilitate for a reduction of greenhouse gas emissions

Attractive and sustainable communities

Diversified economies

Many regions and municipalities/communities around the North Sea are heavily dependent on one key economic activity – for some it is the oil and gas industry, for others, traditional sectors like fisheries or agriculture still dominate local and regional economies. An important challenge for all regional authorities around the North Sea is to develop more diversified local economies. By increasing the diversity and knowledge base of the economy, the North Sea Region can better compete globally. Major changes in the economic structure should be met by innovation, diversification and growth in green and blue sectors.

For example, the digital economy offers major potential which must be further explored and exploited by regional authorities around the North Sea. Linking into the development of broadband connections and taking advantage of the new opportunities it offers is a key action that regions can take to promote new areas of economic development and grow others. Other actions include skills and competence development, research activities assisting the development of new products and industries, and the formation of cross-sector clusters to create regional and local environments for innovation and transfer of knowledge, technology and other solutions from one sector to another.

Within established sectors there is also potential for promoting diversification. For example, the NSR has considerable strengths in its maritime sector. With shipping and maritime products and services as a core, high quality suppliers of technology, maintenance and services for the marine and offshore industries represent important areas of new innovation and engineering skills in the North Sea Region that have been able to establish themselves and grow in global markets. Previous experience of the North Sea as a working environment with oil and gas can help companies to establish themselves as important contributors to development of renewable energy utilities that have already started their ocean operations.

Culture and Tourism

Culture and tourism around the North Sea is an important sector which can contribute to the development of the region, e.g. through the development of different kinds of tourism: historical/cultural, ancestral tourism, experience tourism, and business tourism. The further development and promotion of the sector will require a better understanding of cultures and histories in order to strengthen NSR identity and profile the region. An increase in competitiveness will require European and North Sea tourism industries to offer sustainable and high-quality

tourism. Tourism also depends on the development of other sectors, and it is therefore important that tourism concerns are integrated into strategic processes and planning as other sector policies and initiatives are developed. Joint development of tourism, culture and creative industries, with innovative products, services and common branding of the region will be needed to compete in the global market.

Demographic change

The NSR has a very diverse and complex demographic pattern, covering some of the most sparse and densely populated areas in the EU. Despite this diversity, regions in the NSR share many of the same pressing challenges with regard to general demographic trends, declining and ageing populations, migration to metropolitan areas, and rapidly rising immigration. Potential areas for action include greater diversification of work life in the villages and smaller towns through even greater emphasis on skills and knowledge development. In addition, in light of recent increases in migration, the integration of large number of migrants entering the NSR coastal areas must include the development of skills to support the stability and sustainability of the communities they move into.

Stable populations and sustainability also depends on quality of life. Economic growth and attractiveness of the region's communities need to be promoted to sustain 'liveability'. Besides economic and social safety, quality of life also relies on leisure, culture and sport offers and activities. Such activities are also essential in integrating and enhancing populations in villages and towns.

NSR 2020 key action areas:

- Support the tourism sector in order to
 - be more sustainable
 - develop more diversified offers in coastal areas as well as in cruise tourism
 - develop cultural heritage, nature, outdoor and health tourism in coastal areas
- Support the development of permanent networks for cultural actors
- Improve policy coordination to address demographic and migration challenges
- Promote maritime clusters to continue to play an important role as provider of blue growth, jobs and innovation.
- Promote knowledge transfer and crossovers between different sectors in the North Sea Region

²⁰ Figure 42 in North Sea in Numbers

²¹ Figure 44 in North Sea in Numbers

²² Figure 25 in North Sea in Numbers

²³ <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32009L0028&from=EN>

²⁴ <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52014DC0015&from=EN>

5. Guiding principles

In addition to the priority areas identified by the North Sea Region 2020 Strategy, a number of horizontal issues have been identified that run as common themes through all four strategic priority areas. The horizontal issues are integrated in the implementation of all policy areas.

Innovation and excellence:

The future challenges for economic development will be to capitalise on the region's excellence and to promote and maintain innovation in existing and up-coming sectors. This means stimulating exchange of knowledge and experience between regions, developing innovative clusters (of knowledge and excellence). A focus should be on promoting and supporting innovation across regions at a transnational level.

Sustainability:

Sustainable development seeks to meet the needs of current generations without compromising the ability of future generations to meet their own needs. Future development in the NSR must balance economic growth, environmental protection and social cohesion.

Skills & R&D

Progress towards a knowledge based society and a strong research base has already enabled excellence in sectors such as ICT, renewable energies, transport, marine technologies and creative industries. Access to high quality human resources to meet labour market demands is important across the strategic priority areas. This challenge can best be managed by a close cooperation and intense coordination between the different regions of the NSR in the fields of: recruitment, education and training, cross-border mobility of labour, language acquisition, mutual recognition of professional qualifications, cooperation with the social partners, and learning from examples of best practice. Learning together and sharing knowledge can be enhanced by well-developed transnational networks.

Stakeholder involvement

A holistic approach to common challenges and opportunities requires the involvement of a broad range of stakeholders; cross-sectorial, cross-country and from different governmental levels. To address these issues and implement the strategy, it is necessary to improve regional cooperation in the NSR and the regional role in a multi-level governance framework. Governance mechanisms should satisfy the concerns for bottom-up involvement and 'quadruple helix' involvement.

Visibility

An important part of the work is to communicate and make the work visible, throughout the process and to a wide range of stakeholders. The main objective of the North Sea Commission is to promote and create awareness of the North Sea region as a major economic entity within Europe. This will be elaborated further in the communication activities and accompanying the action plan.



6. Implementation, Cooperation and Coordination

An action plan has been developed to implement the Strategy. This will be reviewed annually, meaning that the most relevant actions are included and/or replaced as they are completed. The action plan focuses on the role of the North Sea Commission, its thematic groups and its member regions in implementing the strategic priority areas. The North Sea Commission has a unique role representing the regional political level; with close dialogue with local stakeholders and citizens as well as broad knowledge of local conditions.

To reinforce the integration of the NSR, the NSR 2020 aims to strengthen policy and legislation implementation in the area. It aims to provide political support to current initiatives and raise their visibility. This work will be driven by the NSC Presidency and the Executive Committee. Annual reports will be provided to the Annual Business Meeting.

Good governance of the North Sea Region requires cooperation and coordination between different governmental levels and with a broad range of stakeholders. Areas where cooperation or lobbying efforts are necessary to get results will be highlighted in the action plan.

Important policies, strategies and organisations to ensure coordination with:

- Europe 2020 Strategy is the key EU commitment to jobs and smart, sustainable, inclusive growth, and NSR 2020 supports its implementation. There are five headline targets: promoting employment; improving the conditions for innovation, research and development; meeting climate change and energy objectives; improving education levels; and promoting social inclusion in particular through the reduction of poverty, and addressing the challenges of ageing.
- Coordination with National Strategic Reference Programmes existing in all of the EU members states.

- Consistency with EU legislation and policies is at the core of the NSR 2020 such as:
 - Strategy for the Single Market (Single Market Act) and the Digital Agenda
 - TEN-T , White Paper on Transport, Energy (TEN-E) networks, Connecting Europe Facility Instrument, Sulphur directive, European Sustainable Shipping Forum, Clean Power for transport package and directive
 - The EU post-2010 biodiversity target and strategy, with its 2050 vision and a 2020 target, is also reinforced;
- Water Framework Directive
- Integrated Maritime Policy, Marine Strategy Framework Directive, Maritime Spatial Planning, Blue Growth; Common Fisheries Policy
 - Energy policy: Renewable Energy Directive; Communication on Offshore Wind Energy; CCS, Energy Union, EU 2030 Framework for climate and energy.
 - EU Strategy for more growth and jobs in coastal and maritime tourism

• Complementarity with EU programmes

- Interreg V B North Sea Region Programme
- Relevant INTERREG cross-border programmes, e.g. Two Seas Programme (Belgium, France; Netherlands, UK); ØKS/KASK (Denmark, Norway and Sweden)
- Other EU programmes such as Erasmus +, Horizon 2020, European Maritime and Fisheries Fund
- National and regional operational programmes
- Regional innovation strategies for smart specialisation,

Other international cooperation such as KIMO; NSAC; OSPAR, IMO, Trilateral Wadden Sea Cooperation, et al.

The North Sea Commission has a unique role representing the regional political level; with close dialogue with local stakeholders and citizens as well as broad knowledge of local conditions.



Photo:

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