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**Paper for the
19th NSC Annual Business Meeting,
18th June 2010**

Item 5

NORTH SEA REGION 2020

At the Annual Business Meeting 26 June 2009 the ideas of Macro regions was discussed and NSC decided to prepare for a Strategy for the North Sea Area. In August 2009 a Steering group was established consisting of representatives from NSC, CoR (Intergroup for North Sea/English Channel), North Sea RAC and Interreg North Sea Programme as observers. The group met and together with a writing group three priorities was identified and presented at a seminar during the Open Days 2009.

The 52nd Executive Committee (December 2009) agreed that the North Sea Commission should explore the opportunities presented by a potential North Sea Strategy. It was agreed that the President would lead the work in conjunction with the Strategic Committee, which had decided that a Writing Group and a Planning Group should be set up to carry out the work. The objective of the work is to identify whether or not a North Sea Strategy is desirable and to set out key priorities for the NSC which we would like to see included in a formal European Union Strategy. Since the last meeting, there have been a number of developments:

- i) A corporate paper
- ii) Writing Group meeting
- iii) ESPON application

i) A corporate paper

A Writing group was established and in September the first draft paper of priorities for a Strategy was presented.

The Strategic Committee met in Brussels on 12 January 2010 and decided that *two additional priorities(4 and 5)* should be added to the three existing ones presented to the Executive Committee in Kiel:

1. **Managing Maritime Space;** The North Sea is a **very 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, defence and recreation. Increasing economic activity in the sea, such as growing shipping traffic and the development of offshore wind farms, is leading to more and more competition between users of the sea.
2. **Increasing Accessibility and Attractiveness;** North Sea ports are important hubs for the export/import of goods and provide access to business locations and Europe's hinterland, stimulating **economic development** in our region. Further globalization of the economy and an increase in the global population is likely to increase traffic. It is essential to ensure free passage in the North Sea and a good flow to the hinterland.
3. **Tackling Climate Change;** One of the main challenges facing the North Sea Region is **climate change**, with adaptation and mitigation measures required. Increased precipitation and flooding in the North, coupled with increased temperatures and aridity in the South will cause significant changes to both physical and human geography in Europe. Exhaustion of fossil fuels and the resulting increase in fuel prices will be another challenge for the region.
4. **Promoting innovation and excellence;** The North Sea Region is a European stronghold in relation to other regions when it comes to innovation capacity and performance. The progression towards a knowledge based society and a strong research base have enabled excellence in sectors such as ICT,

renewable energies, marine technologies and creative industries. The future challenges in this context will be to capitalise on the regions excellence and to promote and maintain innovation in existing and upcoming sectors.

5. ***Sustaining liveable communities***; The North Sea area is a diverse region offering both attractive natural and urban environments. The changing population structure brings with it a shift in demands which impacts upon the vitality and sustainability of communities. One challenge will be to continue to support and enhance the strengths of urban and rural areas and their mutual links on the macro regional level. In this way economic growth and attractiveness of the regions communities need to be promoted to sustain liveability.

A timetable for North Sea Region 2020 activities in first 6 months of 2010 was set;

17 - 18 March; Stakeholder Conference in Newcastle

A Stakeholder Conference, “Working Together to Manage the Marine Resources of the North Sea Region”, took place in Newcastle, UK on 17 and 18 March 2010, hosted by the NSC with the support of the UK Government. It focused on the ‘Managing Maritime Space’ theme of the corporate paper and explored issues relating to the physical management of human activities in and on the North Sea. Around 130 delegates attended from government agencies, private stakeholder organisations and research institutes. The conference concluded that bringing different stakeholders together in a common forum was desirable and that the NSC would be well-placed to undertake a pilot project to set up such a forum. Note from the conference is enclosed.

13 April; “Europe’s macro-region: Integration through territorial co-operation”. Hosted by the CoR in Brussels. A high level political seminar, organized in joint co-operation of the CoR Intergroup and NSC, where the North Sea Strategy was discussed in several workshops. Results from the March seminar were presented. The seminar also discussed strategies for the Danube and Baltic Sea. Report from the seminar is enclosed in separate file.

20 May Workshop in Oviedo during the Maritime Day “Working together to Manage the Resources of the North Sea and Channel”.

The findings of the above conferences were presented at the European Maritime Day in Gijón, Spain, on 18-21 May 2010. The NSC hosted a seminar on 20 May on “A Strategy for the North Sea Region”. This was an opportunity to publicise the NSC’s work on developing a strategy to a wide range of stakeholders, the European Institutions and Member States.

The seminar came up with the following conclusions;

- Dialogue and engagement with stakeholders is key to marine management, perhaps through a stakeholder forum
- There is a need to identify and prioritise tangible objectives for the North Sea Region
- There is a need for improved co-ordination between stakeholders and policy makers

Reports from all North Sea Region 2020 seminars are available on www.northsea.org.

ii) Writing Group meeting

The Writing Group met during the Stakeholder Conference in Newcastle to discuss how to take the initiative forward. It was agreed that there needed to be greater clarity on the process to be followed (how, what, where, when, why) and that a consultation with NSC Member Regions and Thematic

Groups was required. A questionnaire was drafted, and sent out to each Member Region and Thematic Group with a deadline for responding of 31 May 2010. A report (PowerPoint presentation) on the findings will be produced by the Writing Group and presented orally to the General Assembly (18 June 2010).

vi) ESPON application

An application to ESPON to commission research to support the North Sea Strategy was made by several NSC Member Regions, led by Telemark County Council. It was hoped that by securing European funding to develop an independent research basis to support the Strategy Unfortunately this was unsuccessful due to minor technical issues with the application. Resubmission later this year is being considered by the partner regions.

Further process and discussions;

The President has received a joint letter from Sustainable Development group and Innovation and Education group about the North Sea Strategy and the process. The letter has following conclusions;

Overall the idea of a North Sea Strategy has been given direction through the valued efforts of the Maritime Resources Group. While they have developed what is a clear vision of what can be achieved through better coordination of the resources within the North Sea Basin, there is a need to integrate this with land based needs and opportunities to reflect the interdependence of sea and land based activities so they can work in a symbiotic and holistic manner. The development of a meaningful Strategy will require buy-in from the EU Commission, Member States and National Administrations and this will only come about by having a Raison d'être that complements the aims of these political bodies. As can be seen in the targets laid out in the EU2020 Strategy, there is a common goal of sustainable economic development and improved social cohesion. Given there is already a commonality of interest, a North Sea Strategy should look to approach this common regional interest through focusing on the many strengths we already share. While the development of a North Sea Strategy has thus far being very much politically led and there are clear areas where progress will continue to be driven by political cooperation, in the area of innovation and excellence, there will need to be a similar level of discussion between universities, colleges, chambers of Commerce and the business sector to be fomented to ensure that this strand can become a core action led strand of the NSS. By being action focussed it can be seen to have real worth to the communities of the North Sea and be the building block for further regional driven development up to and beyond 2020.

The Strategy writing group has prepared a consultation document North Sea Strategy Consultation to be sent out to our members and to be on our website. The background for this paper is;

'The European Union has initiated pilot actions for 'macro-regional strategies', based around sea-basin areas, for areas such as the Baltic and Mediterranean. The North Sea Commission (NSC) Executive Committee has agreed that the NSC should explore the opportunities which a strategy for the North Sea could present to our region. This consultation aims to gather the views of NSC Member Regions and Thematic Groups on the desirability and potential scope for a North Sea Strategy'.

At the 53rd Executive Committee meeting it was decided to rename North Sea Strategy to North Sea Region 2020 to reflect the long term challenges in the North Sea Region, to include the comments from Sustainable Development group and the Innovation and Education group and to link the work with ongoing European processes..



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All documents for the North Sea Strategy /North Sea region 2020 are available on the NSC website;
<http://www.northsea.org/north-sea-strategy.html>

There will be two oral presentations under this item;

- Presentation of findings from the North Sea Region 2020 questionnaire
- Presentation of the conclusions from the Cluster Cafe's 16-17 June

RECOMMENDATIONS:

- 1. For discussion and decision.**
- 2. The NSC Annual Business Meeting of June 18th 2010 agrees to include the additional two priorities added to the corporate paper.**
- 3. The NSC Annual Business Meeting of June 18th 2010 agrees to rename the North Sea Strategy to North Sea Region 2020 to reflect the long term challenges for the North Sea Region and to link the work with the ongoing European processes.**
- 4. The NSC Annual Business Meeting of June 18th 2010 agrees to include in the future work, the priorities and recommendations from the North Sea Region 2020 questionnaire presented at the meeting.**
- 5. The NSC Annual Business Meeting of June 18th 2010 agrees the work is lead the Strategic Committee and are for discussion on each Executive Committee and Annual Business Meetings.**

NOTE OF STAKEHOLDER CONFERENCE NEWCASTLE 17-18 MARCH 2010.

As part of the process of developing a North Sea Strategy, the North Sea Commission, in collaboration with the UK Government, hosted a conference entitled “Working Together to Manage the Marine Resources of the North Sea Region”. Around 130 delegates attended the conference, which took place in Newcastle on 17 and 18 March 2010. The conference focused on maritime issues, with a particularly strong representation from the fisheries sector in attendance.

Session 1 – High Level Perspectives

NSC President, Gunn-Marit Helgesen, highlighted her organisation’s aspirations for a North Sea Strategy. The organisation has identified five themes so far: Managing Maritime Space, Increasing Accessibility and Attractiveness, Tackling Climate Change, Promoting Innovation and Excellence, and Sustaining Liveable Communities.

UK Government Minister Huw Irranca-Davies then presented the UK perspective on co-ordinating maritime activities. He spoke about the UK Marine Bill and the forthcoming Marine Policy Statement which will soon be open for consultation. Marine Protected Areas (MPAs), set up through the Bill, will not automatically be ‘no-go areas’ for users of the sea – co-existence of activities will be encouraged where possible. The need for the Common Fisheries Policy (CFP) to be better integrated with other policies was highlighted, with the Marine Strategy Framework Directive (MSFD) a potential means of achieving this.

Erneston Penas Lado from the European Commission spoke about the EU’s Blue Book on Maritime policy. While the initiative has been successful to date, there is a need for further integration. The policy is likely to take on a sea-basin dimension in future, with the Commission viewing this as a practical way of implementing the policy. Within the EU institutions there has been restructuring of the Commission and a new European Parliament group set up to help co-ordinate maritime activities better. Member States have also begun their own integrated approaches. Future priorities for the EU Maritime Policy are set to include integrated maritime governance, instruments for an integrated policy (e.g. knowledge base, surveillance, spatial planning), implementation of the MSFD, sea basin strategies, international co-operation, and contributing to the Europe 2020 strategy. The North Sea was highlighted as a model area for the implementation of a sea-basin approach.

The Committee of the Regions (CoR) has set up a group to focus on developing a Strategy for the North-Sea/English Channel area, which was represented by Rinske Kruisinga. Working in partnership with the NSC, the group has identified similar priorities, including the protection of the North Sea-Channel area as a ecological system, adaptation to climate change, use of the economic potential of the area, development of maritime resources, and transport and energy interconnections. The CoR is developing an own-initiative opinion which is due to be considered on 22 April and will host a forum on macro-regions in Brussels on 13 April. A final opinion should be approved in October.

The final speaker in this session was Leo de Vrees of the Environment Directorate of the European Commission. He spoke about the MSFD, which requires EU Member States to

take the measures necessary to achieve good environmental status in the marine environment by 2020. A definition of good environmental status will need to be defined by the Commission by 15 July 2010. Descriptors of good environmental status identified include biological diversity, non-indigenous species, populations of commercial fish/shellfish, elements of marine food web/reproduction, eutrophication, sea floor integrity, alteration of hydrographical conditions, contaminants, contaminants in seafood, marine litter, and energy including underwater noise. Each country will need to develop its own marine strategy in co-operation with neighbouring countries, based on regional seas. Now is the time for regions to get involved if they wish for their concerns and experiences to be fully taken into account.

Session 2 – Integrated Solutions

Haitze Siemers from the European Commission spoke about Maritime Spatial Planning (MSP), drawing attention to the Commission's 'roadmap' to implement the policy. The roadmap aims to provide a coherent framework for MSP, helping Member States to co-ordinate their activities.

Bertie Armstrong of the Scottish Fishermen's Federation highlighted areas of the North Sea used by fisheries. He viewed integration as a form of competition between sectors and was concerned that fisheries could not compete on a level playing field with new sectors such as renewable energy. MSP will need to resolve incompatibilities between activities, which could have implications for fisheries.

Poul Degnbol from the International Council for the Exploration of the Sea (ICES) spoke about the work of scientists in marine research and policy support. Work is ongoing to better integrate this work to provide higher quality data for policy makers.

Hugo Andersson of the North Sea Regional Advisory Council (NSRAC) set out a vision for Regional Management Organisations (RMOs) for fisheries, with greater powers than the Regional Advisory Councils. RMOs would implement the CFP on a more localised basis through defining conservation measures and setting quotas. Marine Protected Areas were also identified as a concern, with the need for consultation with stakeholders highlighted.

Per Jessing from European Maritime Heritage spoke about the work of his organisation, which aims to raise the profile of maritime heritage through operating traditional ships. The value of the 500 events focusing on traditional ships is estimated to be €500 million for local tourism, with a further €250 million generated by maintenance of the vessels.

Session 3 – Sectoral Perspectives and Integration

Pim Visser, representing the NSRAC Spatial Planning Working Group, spoke about MSP. The example of the Dogger Bank, a sandbank in the North Sea in the territorial waters of four countries, was highlighted. Each country has taken a different approach, with Denmark not deeming the area a protected area, Germany and the Netherlands designating it as protected, and the UK designating it as protected but suitable for wind energy development. This example highlights a lack of co-ordination between Member States.

Paul Dymond of Oil and Gas UK stated that there will still be a need for oil and gas in the foreseeable future and highlighted the value of the industry to the economy. While 39 billion barrels have been extracted in UK waters, a further 25 billion is yet to be recovered. The oil and gas sector is acting responsibly in reducing its environmental impact and improving its safety record. It also has a history of working with the fisheries sector, particularly with regards to enhancing safety through the FishSafe system. MSP will be necessary, but only in areas where conflicts arise. This was highlighted by the overlap between oil and gas reserves and proposed wind farm sites.

Director of Marine Scotland, Mike Neilson, spoke about the Scottish Government's Marine Bill. Marine Scotland itself has been set up recently to better integrate activities. This will become more and more important given aspirations to exploit Scotland's huge marine energy potential (25% of the EU's wind and tidal potential). MSP and streamlining licensing are seen as useful tools to manage conflicts between users.

Chris Westra, of the offshore wind association WE@Sea expanded on the theme of offshore renewables potential, demonstrating that there will be more demand for offshore installations as turbine sizes increase. Islands in the form of offshore installations may need to be constructed to facilitate the maintenance and management of sites. Wind farms will also be an important component in an offshore North Sea electricity grid.

Sibrand Hassing, Senior Policy Adviser to the Dutch Government, presented on sustainable shipping. Shipping is the least environmentally-damaging form of commercial transport and the sector is working to improve its safety record, reducing oil spills, for example. New designs of ships are being developed which significantly reduce carbon dioxide emissions. Legislation has, or is going to be, introduced with regards to air emissions, ballast water and recycling. Training courses to raise awareness of environmental issues for seafarers are expected in 2012.

Tom Christer-Nilsen, representing the NSC Marine Resources Group talked about the "Clean North Sea Shipping" project, which is to apply for INTERREG funding. The project will particularly aim to reduce pollution in ports through methods such as introducing electricity supplies in ports. Some emissions from shipping, such as Nitrous Oxide, can be so high that the centre of cities such as Bergen have had to be closed for health reasons in the past.

Workshops

1) The Integration of Fisheries with Other Activities

The workshop concluded that it was important to promote collaboration between sectors and recognise that fisheries is a renewable resource which can improve food security. Different sectors can co-exist if they have the desire to (e.g. information sharing), but policy improvements are needed (e.g. integration an objective of the CFP, clarification of who takes what decisions and mandatory co-operation between Member States). Policies such as the CFP should focus on outcomes rather than prescriptive structures. Offshore renewables developments necessitate a change to ways of working, but different uses of the sea are not always incompatible.

2) Sustainable Economic Development of Marine Resources

The example of marine data was discussed in this workshop, highlighting a reluctance of different stakeholders to share data with each other and decision makers for commercial reasons. This makes policy decisions difficult, but can only be overcome by building trust between different stakeholders. A stakeholder forum, bringing together different users of the sea and government agencies was identified as a means of developing this trust. The North Sea Commission could pilot this action, given its experience and relative neutrality. INTERREG funding may be available to support such a project. The forum would not be expected to reach consensus, but merely to build trust and share information.

3) Sustainable Shipping and Ports

This workshop identified the current lack of standards which exist in key areas. Examples included fuel, shore side facilities and handling of traffic by ports (communication issues between ships and ports). It was discussed that renewable shore side electricity could allow ports to provide the energy needed to keep ships running, however without clear standards this becomes problematic with numerous technologies being developed which may not be compatible with each other. It was highlighted that there was a need for a conference to discuss sustainable shipping with a focus on bringing ship owners and ports together to raise common issues and determine areas where common standards could be introduced which would have environmental and economic benefits.

4) Integrated Planning and Management of Human Activities

This workshop identified examples of best practice in implementing MSP (e.g. the Wadden Sea), but also noted that not all approaches have been successful. There is a need to clarify what exactly is meant by integrated planning and what a common approach would entail. An international approach to MSP should only be taken where it adds value, for instance environmental benefits, shipping lanes etc. Planning systems differ between Member States and this needs to be taken into account. It is also more difficult to ensure accountability in a system of offshore planning than on land.

Main Conclusions:

- 1) A stakeholder forum for the North Sea is desirable – the NSC was identified as having the experience and neutrality to co-ordinate this (perhaps through an INTERREG project)
- 2) Some stakeholders are unconvinced over the idea of a strategy – there is a need to quantify the added value and demonstrate benefits. To do this, we need to be more specific on what it should achieve and the activities it will cover.
- 3) Stakeholders worry about a lack of co-ordination of activities, meaning that their interests could be damaged/overlooked
- 4) Dialogue is as important as policies
- 5) Any strategy would need to look at land activities as well as sea