THEMATIC GROUPS REFLECTIONS ON 2021-2022 AND PLANS FOR 2023-2024

By Karen Refsqaard, Rolf Elmér and the Thematic Group Secretariat, Nordregio - January 2023

The three Thematic Groups are halfway in the Regional Cooperation Programme. Throughout those first two years a variety of activities have been performed, i.e. discussions and decisions in the thematic groups, quantitative and qualitive research in projects, and discussions, dissemination and exchange of knowledge in seminars and workshops. The results can be found in reports, policy briefs, power point presentations, maps, and stories at The Thematic Groups website. This report contains a short overall introduction to the regional cooperation programme and the thematic groups followed by a summary of the results for 2021-2022. Furthermore, an overview of ongoing activities with a short summary of key learnings, followed by the new planned projects is provided. The described activities within each Thematic Group are followed by the two larger cross-Thematic Groups projects.

Nordregio would like to thank for the support, inputs, and constructive dialogue provided by the Thematic Groups which are of great value for the research being carried out in the Regional Cooperation Programme.

WHAT ARE THE THEMATIC GROUPS ABOUT?

The Nordic Cooperation Programme for Regional Development and Planning is aimed to contribute to achieve The Nordic Council of Ministers Our Vision 2030. The regional sector has a geographical point of departure and focuses on topics and challenges for regions and local communities with different pre-conditions. The objective of the Programme is learning and knowledge building for national, regional and local policy development within regional development and physical planning and to provide Nordic value added. Within this cooperation, the Nordic contribution shall aim for sustainable solutions that can inspire and be of use even outside the Nordic countries.

The Programme contributes towards implementing the three strategic priorities for a green, competitive and socially sustainable Nordic Region as outlined in Our Vision 2030 mirrored within three thematic groups (TGs) for Green and inclusive Urban development, Green and inclusive Rural development, and Green, Innovative and Resilient Regions. The Thematic Groups are composed of senior officials from relevant ministries in the five Nordic countries, in the Faroe Islands, Greenland and the Åland, from regional authorities, cross-border committees, and the North Atlantic Cooperation (NORA). Nordregio is the secretariat for these three thematic groups and the main actor in the implementation of research related activities within them.

This organization can be named a regional socioeconomic laboratory. Nordregio as a research institute is working in close collaboration with 50+ competent policy makers at municipal, regional and national level in the five Nordic countries and three self-governing regions. The laboratory is a unique resource – as regional policy makers at multilevel with local knowledge provide inputs on challenges and opportunities, thereby contributing with reality and quality check of the research which Nordregio has the capacity and competences to carry out the research. Further the policy makers act as ambassadors ensuring local adapted dissemination and finally creating Nordic added value through knowledge exchange across regions. This is a real advantage of the Nordic Regional Cooperation Programme.

WHAT ARE THE LEARNINGS? SUMMARY - RESULTS FROM 2021-2022

During the first two years, **TGA** has investigated how cities can be planned and developed to become climate- and environmentally friendly and also more socially sustainable and inclusive. Key learnings are:

- Integrated spatial planning is key to sustainable urban development, and while Nordic national support initiatives
 are increasingly comprehensive and cross-cutting, the local level would require better support for capacity building
 and policy uptake. The most important policy areas were environmental issues and climate followed by transport
 and mobility, and housing.
- When striving to create more socially inclusive and less segregated cities a holistic approach for policy areas
 ranging from housing and education to integration and spatial areas is needed. Policies often rely on collaboration
 and coordination between actors at different territorial levels, which seems important for implementation.

TGB activities are centred around the transition that Nordic countries face where social and economic activities must adapt to, reverse, and mitigate climate and environmental changes and being in the midst of a digital transition alongside a recovery from the pandemic. Rural areas experience an aging and decreasing population in addition to an increase in inequality and tendencies of polarization between population groups and geographical areas. Key learnings until now are:

- Adaptation of basic services to local conditions and geography is central to ensure that residents in the rural
 communities can feel secure, safe, and thrive which require multilevel governance and multi-actor dialogue is
 needed. Finally, collaboration between actors who are secure in their roles and mandates is key for a secure and
 safe service in Nordic rural communities.
- For rural areas to experience benefits from green transition ensuring sustainable and lasting local benefits, and through them an experienced just transition, does not rely on sufficient monetary compensations to land owners. Instead, approaches that link green transitions to smart adaptation solutions, long-term development plans and proactive citizen engagement have been successful in making the green transition seem beneficial also at the local level.

TGC aims to produce new knowledge on green, innovative and resilient regions in the Nordic context and contribute with Nordic added value. It aims to be a hub for knowledge exchange for senior officials from national and regional level, and cross-border regions. Finally, to contribute to the Nordic vision through dissemination of research results and actively participating in policy discussions. Key learnings until now are:

- The pandemic showed that labour market mobility in cross-border municipalities and regions could no longer be taken for granted while digitalization and remote working had positive impacts. Maintaining freedom of movement is therefore important for securing a better integrated and sustainable Nordic Region which may even be stimulated by the recent Russian invasion of Ukraine. Access to reliable and comparable statistics on migration and commuting is important to support this development.
- The academic literature on drivers and framing of innovation systems in general and Regional green innovation in particular have been explored, showing that these are complex processes where our understanding of those has changed over time. To gain in-depth knowledge, supply and demand, push and pull factors, the role of institutions and actors etc., e.g. in a case study on wood construction, are further explored.

Across all three thematic groups two large topics have been researched from urban, rural, and regional perspectives:

- The Nordic regional leadership project examines how institutional and stakeholder collaborations at regional and local levels drive economic growth and development and meets the social needs of citizens. In this conceptual stage the main variables that strengthen and weaken regional and local stakeholder collaboration activities are being analyzed. Collaboration is strong in Nordic regions where there is a culture of cooperation and existing networks that create forums for stakeholders to share knowledge, ideas and respond to common challenges.
- Remote work and multilocality post-pandemic is a cross-TG project researching how remote work was conducted during and after the pandemic.
 - Nordic municipalities and regions perceive in general remote work in a positive light, generating opportunities for long-term economic growth, maintaining public services, and revitalising the community. The differences between the countries relate most to the regional policy responses. Nordic collaboration can therefore be beneficial by developing strategies to address the challenges and make the most of the opportunities to benefit people, places, and planning in the long term.
 - Higher levels of remote work are likely to be maintained in the long term. However, there is little evidence to support a large-scale shift towards a "remote first" mindset among workers or workplaces. For most workers and workplaces, the most likely scenario will be a hybrid arrangement. The effectiveness of such arrangements in promoting wellbeing and quality of life for workers, and the extent to which collaboration and innovation thrive under hybrid conditions, will be key in determining whether remote work become more common in the long term.
 - A new Nordic grid-based urban-rural typology has been developed to help better understand the urban-rural continuum and to allow for comparative analysis of settlement and mobility patterns. The typology is published on an interactive digital mapping platform, see https://nordictypology.ubihub.io/

TGA ON GREEN AND INCLUSIVE URBAN DEVELOPMENT

During the first two years of the programme period, TGA has investigated how cities can be planned and developed to become climate- and environmentally friendly and also more socially sustainable and inclusive. The work of TGA contributes to Nordic Added Value by generating new knowledge and evidence to support the planning and development of Nordic cities and urban areas to become more sustainable, by exploring a variety of topics and questions that are of high relevance for Nordic urban policy and planning agendas. In the following, some of the key learnings from the ongoing projects are highlighted, followed by a brief presentation of the activities to be implemented in 2023–2024. https://nordregioprojects.org/urban/#/home

COMPARATIVE REVIEW OF NATIONAL SUPPORT INITIATIVES FOR LOCAL PROJECT DEVELOPMENT

- The project focuses on national support initiatives for sustainable urban development at the local level, which have become increasingly important mechanisms as the Nordic region seeks a greener, more competitive, and socially sustainable future.
- The initiatives under investigation consist of national funding mechanisms for local level stakeholders, to implement efforts towards sustainable urban development.
- A total of 28 National support initiatives were examined in the first phase, covering a variety of policy areas, of which environmental issues and climate were the most important, followed by transport and mobility, and housing.
- The findings show that integrated spatial planning is key to sustainable urban development, and while Nordic national support initiatives are increasingly comprehensive and cross-cutting, the local level would require better support for capacity building and policy uptake.
- In the next phase, the project will address the key challenges and knowledge gaps between national targets and objectives for local planning and carry out a more in-depth analysis of examples from each of the five Nordic countries.

PLANNING FOR SOCIALLY MIXED AND INCLUSIVE NEIGHBOURHOODS

- During 2021–2022, the project has mainly focused on what types of Nordic policies and strategies there are for preventing segregation and promoting social inclusion in cities.
- A comparative analysis of these policies has been carried out, focusing on what they look like in terms of design, implementation and aims.
- Key common characteristics include that these policies typically rely on collaboration and coordination between actors at different territorial levels, including partnerships and participation between state agencies, regions, municipalities, residents, and local communities.
- These Nordic policies often also cover a wide range of policy areas, ranging from housing and education to integration and spatial planning, underlining the need for a holistic approach when striving to create more socially inclusive and less segregated cities.
- In the Nordics, we also see that there is an increased interest in the use of indicators for assessing urban segregation and social inclusion, which is a topic currently under investigation in the ongoing second phase of the project.

New projects 2023-2024

NORDIC CLIMATE NEUTRAL CITIES: PERSPECTIVES AND PRACTICES

- This project deals with spatial planning and what types of tools and practices exist in Nordic cities for steering urban development towards carbon neutrality.
- As many of these challenges are closely related, this requires a holistic approach where different aspects of sustainability are considered in connection to each other.
- This project will explore how Nordic cities are working to reach these goals and it will contribute to Nordic learning by developing new knowledge about the transformation of cities towards climate neutrality.
- To understand what is important for achieving a climate neutral city, it will be necessary to explore this from a
 multitude of perspectives, as urban decarbonisation strategies relate to aspects such as energy, transport, building,
 and industry, which often coexist and intersect.

SMALL TOWN ATTRACTIVENESS: PLANNING MULTIFUNCTIONAL AND LIVEABLE COMMUNITIES

- This project focuses on small towns that have grown or at least maintained their population over time and it investigates how municipalities can design plans and strategies to maintain population growth and ensure multifunctional, liveable, and sustainable urban communities.
- Several key questions will be explored, such as what qualities in the urban living environment make small towns attractive to keep the current population and to attract the new residents, and what type of strategies exist to keep young people in the town in the future.
- The aim is to deliver a Nordic Roadmap highlighting planning practices and strategies that municipalities can learn from and adopt in order to enhance small town attractiveness.

NATIONAL SUPPORT INITIATIVES FOR SUSTAINABLE URBAN DEVELOPMENT IN CROSS-BORDER REGIONS

- While the initiatives examined in the ongoing TGA project are limited to the countries where they operate, this add-on activity will take an explorative approach, aiming to gain an understanding about the needs to connect urban areas or city regions in cross-border regions, and the potential of national support initiatives across national borders.
 - The focus is on urban-urban linkages, and activity will be carried out following two main steps: 1)
 exploring national support initiatives in cross-border regions in a broader sense, 2) zooming in on a limited number of cross-border region(s).
 - The selection of the cross-border regions may possibly be based on the new urban-rural typology and the activity will explore potentials and needs from the bottom-up.

PLANNING FOR SOCIALLY MIXED AND INCLUSIVE NEIGHBOURHOODS: INTERVENTIONS IN IMPROVING PHYSICAL LIVING ENVIRONMENTS

- While the ongoing TGA project does currently not have a strong emphasis on the interconnection between the
 physical living environment of neighbourhoods and what it means for social inclusion, this will be more specifically
 in this add-on activity.
 - The role of the built environment, including its design and the role of architecture, will be studied in connection to challenges of urban segregation and social inclusion, to help provide a better understanding of how to deal with these types of problems in Nordic cities.
 - This may possibly include studying examples from both existing neighbourhoods as well as newly built areas, to draw on the diversity of approaches used in different types of urban contexts.

TGA working!



TGB ON GREEN AND INCLUSIVE RURAL DEVELOPMENT

is centred around the significant development trends that affect regional development in the Nordic countries. The countries are in a transition period where all social and economic activities must adapt to, reverse, and mitigate climate and environmental changes and at the same time in the midst of a digital transition alongside with a recovery period from the covid-19 pandemic. Rural areas experience an aging and decreasing population in addition to an increase in equality and tendencies of polarization between population groups and geographical areas. How the rural areas are affected by these development trends and how planners and policymakers can support the development are the focus for the work conducted within the thematic group. The group has therefore prioritised to research the following activities: https://nordregioprojects.org/rural/#/home

SERVICE PROVISION AND ACCESS TO SERVICES - ENHANCING TRUST AND SECURITY

- Has analysed how essential service needs for different types of societal groups and ruralities can be understood and defined, and how solutions to rural service provision challenges can be organised.
- The research indicates that an adaptation of basic services to the local conditions and the geography is central to ensure that residents in the rural communities can feel secure, safe, and thrive.
- In order to ensure such adaptation multilevel governance and multi-actor dialogue is needed.
- Finally, collaboration between actors who are secure in their roles and mandates is key for a secure and safe service in Nordic rural communities.

A JUST GREEN TRANSITION IN RURAL AREAS: LOCAL BENEFITS FROM VALUE CREATION

- The project aims to discover how rural areas, that contain the natural resources needed for the green transition yet do not necessarily experience the transition as beneficial to them, could ensure generating local benefits for the rural communities.
- The project began by conducting a comparative overview of policy making approaches to just green transitions and their rural implications, which was finished in September 2022 and serves as the knowledge basis of case studies.
- Comparative case studies in Finland, Norway and Denmark (two regions in each) began in October 2022.
- Initial results from case studies suggest that ensuring sustainable and lasting local benefits, and through them an experienced just transition, does not rely on sufficient monetary compensations to land owners. Instead, approaches that link green transitions to smart adaptation solutions, long-term development plans and proactive citizen engagement have been successful in making the green transition seem beneficial also at the local level.

The TGB-secretariat has also a direct link to the EU collaboration within rural development through membershep in the thematic groups EU-ENRD Rural Revitalisation and EU-ENRD Rural Proofing.

New projects 2023-2024

SMART ADAPTATION TO RURAL REALITIES: APPROACHES AND PRACTICES IN NORDIC MUNICIPALITIES AND REGIONS

- The project's starting point is the current out migration and population decline facing many rural municipalities. Smart adaptation refers to approaches that public authorities take up to adapt their activities to changes in population.
- The aim of the project is first to identify and describe smart adaptation strategies in rural governance across the Nordic region, both regarding written documents and concrete policy decisions.
- Second, the project facilitates for Nordic learning and knowledge sharing between municipalities and other actors working with rural governance.

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- Labour shortage has become a challenge in many Nordic places a.o. due to a decrease in decreasing as well as retiring rural populations, along with rapid social transformations i.e. brought about by automation and digitalization. Matching competence needs is therefore crucial to ensure sustainable rural areas, where youth and both genders can thrive.
- The project will provide overview, collect statistical data, visualize, and create dialogue around the challenges, and the strategies and solutions in use.

TGB working!



TGC: GREEN, RESILIENT, AND INNOVATIVE REGIONS

Aims to produce new knowledge on green, innovative, and resilient regions in the Nordic context and contribute with Nordic added value. It aims to be a hub for knowledge exchange on green, innovative, and resilient regions for Nordic senior level officials from the national level, regional level, and cross-border regions. Finally, it aims to contribute to the Nordic vision of being the most integrated and sustainable region in the world through dissemination of research results and actively participating in policy discussions. In order, to fulfill these objectives, the following activities are being researched: https://nordregioprojects.org/innovation/#/home

RE-START COMPETENCE MOBILITY IN THE NORDIC REGION

- Focusses on cross-border migration and commuting and aims at identifying enablers and obstacles to enhance cross-border Nordic labour market mobility. The COVID-19 pandemic and previous border restrictions have brought new insights into Nordic labour market mobility, Some sectors and some cross-border municipalities and regions are very dependent on the Nordic freedom of movement across borders.
- While 1.7% of the Nordic population live in another Nordic country (2020), only 0.5% of the Nordic working-age population commute to another Nordic country (2015-2018), which is below EU-average of 1% (2016).
- Maintaining Nordic freedom of movement, including in practice, and removing obstacles are, therefore, important for securing a better integrated and sustainable Nordic Region, along with the Nordic vision 2030
- Access to reliable and comparable statistics on migration and commuting is important to support this
 development. Moreover, the changing geo-political situation since the Russian invasion of Ukraine has increased
 support for European and Nordic co-operation, which may stimulate progress toward a more seamless and
 integrated Nordic labour market.

GRINGO I: Systems perspective on regional green innovation

- This research provides insights onto how innovations processes occur under the so-called 'green transitions', and the roles of different actors as 'change agents'.
- Singling out 'green innovations' apart from other 'innovations', is relevant as the former are politically willed and are specifically aimed at addressing the environmental crisis. The fact that we have policies that specifically target green innovations tells much about the pull-push forces as opposed to innovations that do not need a policy push. Green innovations require a demand pull also, unless legislation requires the use of a technology/resource (e.g. quotas), or gives no alternative (e.g. bans or penalties).
- Cases on wood construction and proteins, show that regulation and policy goals play important roles in boosting green innovations.
- However, zooming into the micro-processes leading to individual innovations or sectoral transformations reveals a
 much more complex and chaotic picture of the drivers, the roles of different actors and their interactions. Essentially
 the process of industrial path creation requires three types of leadership: institutional entrepreneurship
 (entrepreneurial public sector), innovative entrepreneurs (creative and risk-taking businesses) and place-based
 leadership (network-based).

New projects 2023-2024

SUSTAINABLE TOURISM

- The project aims to examine social and cultural effects and possible indicators to measure the social dimension of sustainability in the Nordic countries for a sustainable tourism development.
- This will include e.g. analysing tourism true contribution and costs for regions and more rural areas, effects on employment, working conditions, provision of services, culture and arts, preservation of heritage, perception and preservation on nature, transport, housing and general tolerance towards tourism.

COMPETENCE MOBILITY II

- Internal net migration of the cohorts 20-29 years old is dominated by flows towards cities and university towns, for both men and women, whereas migration routes for the ages of 30-39 years old are more diverse, especially for women. More recent migration data suggests that this trend is accelerating for both men and women of this cohort across the Nordic countries.
- Who are the 30-39 years old in the Nordics that move and why do they move?
- The project will focus on rural municipalities and applying both qualitative and quantitative methodology to identify the characteristics of those who move. Gender differences will be investigated at all stages.

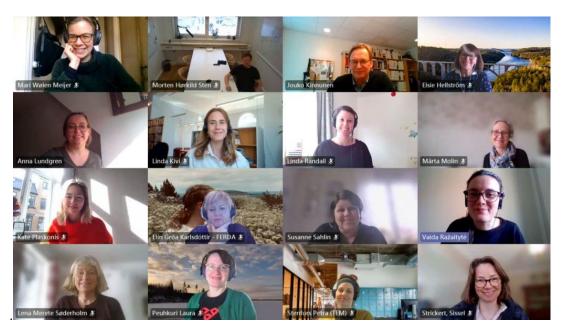
GRINGO II: MISSIONS-APPROACH & GREEN INNOVATION POLICY

- While GRINGO I focuses on the horizontal dimensions (actors/ agents), GRINGO II, delves on the vertical dimensions: supra-national, national, regional, and local policies and policy instruments.
- Emphasis is placed on the mission-oriented approaches that provide directionality to innovation policy in alignment with broader policy frameworks to achieve the SDGs or Green Transition.
- Furthermore, we analyse how missions can be operationalised within Regional Innovation Systems (RIS).
- The project will investigate whether the current tools showcase ability to introduce potentially impactful measures or are they rooted in established or outdated practices.

ARENA

- The Arena is a space of dialogue and co-creation designed to establish bridges between the TGwork and other researchers and actors in policy and practice fields, as well as to provide input to the ongoing regional development studies.
- Three events: "How will the climate crisis and post-Covid situation influence the way we travel?", "Regional Leadership Who should lead the Green Transition?" and on "Remote work and multi-locality in the post-pandemic" have been organised with guest speakers from relevant universities, businesses and authorities adding insights to those topics.

TGC working!



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ACROSS THE THEMATIC GROUPS

INCREASE KNOWLEDGE ON REGIONAL LEADERSHIP AND EXPLORE THE POTENTIAL FOR A NORDIC MODEL OF REGIONAL LEADERSHIP

- The Nordic regional leadership project examines how institutional and stakeholder collaborations at regional and local levels drive economic growth and development and meets the social needs of citizens.
- The project is currently at the conceptual stage analyzing the main variables that strengthen and weaken regional and local stakeholder collaboration activities.
- Collaboration is stronger in Nordic regions where there is a culture of cooperation and existing networks that create forums for stakeholders to share knowledge, ideas and respond to common challenges.
- The project has been introduced to Nordic stakeholders within TGB and TGC meetings, and at the Nordregio Forum 2022, where participants have provided best practice examples of Nordic regional leadership for in depth case study research during 2023/2024.
- A Nordic regional leadership survey has also recently been sent out to gauge the views of Nordic regional and local stakeholders on effective regional leadership processes.

REMOTE WORK AND MULTILOCALITY POST-PANDEMIC: EFFECTS ON NORDIC PEOPLE, PLACES, AND PLANNING

Several activities are being carried out on remote work and multilocality within the Thematic Groups, but in addition throughout the Finnish presidency project and State of the Nordic Region. The activities include:

- Remote work: Planning implications of remote work in smaller but growing towns (TGA)
- Implications for rural areas (TGB)
- Regional implications of remote work: winners, losers, and planning in an uncertain context (TGC)
- In addition, two other projects have been investigated, but funded from other sources:
 - Evidence-based policy making (Finnish presidency project),
 - Changing work practices during the pandemic and (potential) future implications (State of the Nordic Region
- The projects are investigating, how remote work was conducted during and after the pandemic. The main focus is to understand remote work in relation to potential urban and regional development effects, both emerging trends and the national policy frameworks. As remote work became a common practice, the project has analysed which tools and policies the Nordic countries are using to support remote work and how remote work is viewed to be able to support social, environmental, and financial sustainability.
- So far, the project has produced two reports:
 - A Nordic knowledge overview on remote work and multilocality.

 Results show that higher levels of remote work are likely to be maintained in the long term. Importantly, however, there is little evidence to support a large-scale shift towards a "remote first" mindset among workers or workplaces, so for most workers and workplaces, the most likely scenario will be some form of hybrid arrangement. The effectiveness of these arrangements in promoting wellbeing and quality of life for workers, and the extent to which collaboration and innovation thrive under hybrid conditions, will both be key factors in determining whether remote work remains more common in the long term.
 - A quantitative analysis identifying emerging spatial patterns to understand the potential impacts of increased remote work practices for different types of regions and municipalities.
- Further, a new Nordic urban-rural typology has been developed with the purpose to create a grid-based typology based on harmonised Nordic definitions to help better understand the urban-rural continuum and to allow for comparative analysis of settlement and mobility patterns. A key principle was to use open data and to build on a replicable and transparent data process model. The typology has been published on an interactive digital mapping

platform where the typology layer has been made available for download and further use. See: https://nordictypology.ubihub.io/

- On-going activities include case studies as well as analyses related to:
 - Local and regional experiences of remote work and multilocality and strengthened Nordic cooperation: How does increased remote work impact Nordic municipalities and regions? Remote work is generally seen in a positive light, generating opportunities for long-term economic growth, maintaining public services, and revitalising the community. There is great potential for Nordic cooperation in developing strategies to address the challenges and make the most of the opportunities associated with increased remote work for regions and municipalities. Collaboration could be valuable in strengthening both national and local efforts to make the most of the opportunities increased remote work offers for Nordic people, places, and planning in the long term. Most notable differences between the countries relate to the regional policy responses, with the perhaps greatest potential for Nordic added value.
- Planning Implications of remote work in smaller but growing towns: This project investigates what factors influence attraction and retention of population based on remote work opportunities in five smaller Nordic towns and potential planning implications. Preliminary findings suggest that there is no single main cause attracting people to these towns, rather a web of factors, e.g. attractive urban environment and housing stock, access to services, cultural activities, and local labour markets, which influence local outcomes.

New projects 2023-2024

ADD-ON ACTIVITY: REGIONAL IMPLICATIONS OF REMOTE WORK

- A cross-border case study will be added to the project, looking particularly into the remote work and multilocality across borders. The case selection method will be based on the output from the spatial analysis in activity 2 and based on advice from the reference group (TGB and TGC members). The additional cross-border case will be a pure add-on to activity 3 of the project and take place from Q1-Q2 2023.