

EUROPEAN TERRITORIAL COOPERATION IN SCOTLAND POST 2020

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1 INTRODUCTION



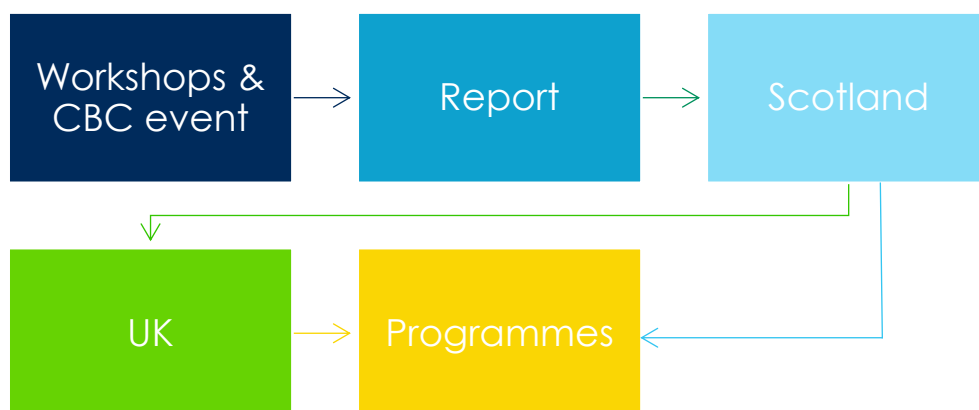
This report, commissioned by Scotland Europa, presents the findings of a series of workshops and a conference on opportunities for Future of European Territorial Cooperation (ETC).

- Interreg Workshop - Dundee, 21 August 2019
- Interreg Workshop - Edinburgh, 30 August 2019
- Interreg Workshop - Glasgow, 5 September 2019
- Interreg Workshop - Inverness, 9 September 2019
- Cross-border Scottish Parliamentary event - Edinburgh, 11 September 2019

The aims of the workshops were to:

- gauge views and interests, identify cooperation themes with most 'appeal'/potential and territorial links of particular interest; and
- gather views that can contribute to discussions and inform positions on the future development and implementation of cooperation at Scottish and UK levels, see Figure 1.

Figure 1: Report role and links



2 CONTEXT: POST 2020 'UNKNOWNNS' AND 'KNOWNNS'



The workshops began with an outline of the current understanding of the situation in relation to post 2020 European Territorial Cooperation. Brexit and on-going debates on the EU regulations, proposed programme geographies and funding mean there are significant 'unknownns'. However, there are equally important 'knownns' and past experience to use as an initial basis for future planning.

On Brexit:

1. The new European Territorial Cooperation Regulations proposed by the European Commission's DG Regio make provision for UK participation as a third country, if by that time it has left the EU.
2. Third country participation is a routine part of Interreg and other European Cooperation Programmes, especially for Programmes in which Scotland currently participates.

On the post-2020 programmes:

1. The broad areas of intervention proposed in the draft ETC regulations are unlikely to change substantially in the final draft.
2. Programme geographies are not yet agreed. But, European Commission plans for major changes have been challenged, and in the past Programme areas have only ever increased. A likely scenario would be, therefore, limited change.

On Scottish engagement:

1. Good experience and engagement with past programmes and projects means there is a strong commitment to on-going participation in Interreg in Scotland.
2. Scottish partners, and their expertise, are valued by collaboration partners and programmes.



3 WHY PARTICIPATE? - VIEWS FROM STAKEHOLDERS



Drawing on current and past experience of European Territorial Cooperation programmes, invited speakers discussed their experiences of cross border, transnational and interregional cooperation, see Annex 1. Presentations drew on a wide range of projects and programmes, from supporting sustainable transport solutions and e-health services to city branding. In their assessments, speakers noted challenges of working on cooperation projects, such as the time it takes to build up project relationships, some of the technical/administrative issues, and how to best capitalise and carry forward results. But, the recurring theme across all the presentations was the **added value of territorial cooperation**.

- **Thematic and territorial relevance**

ETC/Interreg programmes and projects offer the chance to work within **strategically relevant and 'relatable' areas of activity for Scotland** alongside territories with the same, similar, or related opportunities and challenges. When speaking about Scottish involvement in cross-border cooperation, the resonance of the themes for Scottish Government were noted by Ivan McKee, Minister for Trade Investment and Innovation. The result is the opportunity to both extend and up-scale activities, and engage and embed at local level.

Diane Milne from Dundee City Council highlighted that Interreg offered a valuable opportunity to support emerging sectors and work on themes that fit with key agendas locally. At the same time, participation in Interreg projects offered the opportunity to engage on issues of shared interest at an EU-level. For South East of Scotland Transport Partnership (SEStran), Keith Fiskin noted Interreg had themes that were easy to engage with and was an opportunity to link to leading partners and territories in relevant fields, facilitating learning, the development of new and innovative approaches, and delivering benefits as solutions are tested and implemented locally.

Partners working in on Interreg VA projects underlined the importance of being able to work across not just borders but also specialisms, sectors and levels in key areas such as health. For, example Professor John Lockhart, from the University of the West of Scotland speaking about the Breath project, noted that the project was achieving **global and impact and local engagement on tackling** Chronic Obstructive Pulmonary Disease (COPD.) The project's grouping of partners, who had not previously worked together, enabled increased capacity and resources for postgraduate and post-doctoral positions, industry links to pharmaceutical companies, community engagement, and public awareness of prevention and treatments in a region with high levels of lung disease, e.g. through school STEM events, as well advances in medical research on the disease.

-
- **Achieve scale and critical mass to take action**
-

Through cooperation, partners have built critical mass to develop, test and pilot specialised/tailored/innovative actions and activities in ways that would not be possible working in isolation. For example, the opportunity to work across sectors and build economies of scale through the Cult-Create project (funded through Interreg Europe) meant Dundee City Council developed its approach to digital networking across sectors. The project focussed on the cultural and creative industries and tourism, and project outputs are now helping to inform the City's tourism action plan.

Collaboration also offers the **opportunity to operate at scale, building and accessing capacity** to extend and improve services. **Working across different partner types and in different ways** enables projects to capitalise on complementary expertise and work in new ways. The SeaMonitor project, presented by Professor Colin Adams from the University of Glasgow, brings together policymakers, scientists and practitioners from across jurisdictions to work with innovative marine species tracking technology in a way and to an extent that would not have been possible working separately.

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- **Scope to initiate and extend innovation and competitiveness through collaboration and learning**
-

Innovation is a valuable result for partners. The BeGood project (funded through the North West Europe Programme and presented by James Arnott from Glasgow City) focused on using open data sets held within the public sector to develop data driven services in the area of infrastructure and environment. Working on the project enabled the development of a new tool for service development and went on to serve an important initiatory role with scope for the approaches to be used more in other areas and across other council services.

Similarly, the InCompass project (Interreg IVC) enabled participants to **extend and improve knowhow to better manage assets and policies**. The project focussed on the development of sustainable incubator space for creative digital sector. It helped Dundee City Council build links and access to leading expertise and experience in the sector, directly engage with end users, by involving them in study visits and building network connections, and establish a broader base of expertise on the issue, which has now been applied in the City.

Co-Innovate representative Abbé Cusack from Scottish Enterprise highlighted how the project was used to help provide tailored support to SMEs at different points in the innovation process and, crucially is a platform to build further and increase awareness of the **opportunities which will last beyond the life of the project, thus providing durable results**.

- **Value of productive networking and exchange of ideas**

The opportunity for **cross-fertilisation of learning and ideas**, appreciation of the operational and business culture of near neighbours based on 'lived experience' of working alongside partners, international contacts for present and subsequent work, and fresh perspectives on issues were all valued aspects of the W-power project (funded through the Northern Periphery and Arctic Programme). Kathy Higginson from Highlands and Islands Enterprise spoke about the project that focussed on empowering women entrepreneurs in sparsely populated communities, delivering a tailored innovation platform, peer learning exchanges, coaching, digital community for learning and support.

More generally, across each of the projects, as well as the formal links, the **informal exchanges and interpersonal links** were identified as invaluable for building an enthusiasm and 'excitement' in participants which they can bring back to their own organisations. This is especially important at a time of rapid change, uncertainties and financial pressures, where perspectives can narrow and become more insular. The importance of recognising and capitalising on these 'soft' outcomes, retaining links and knowhow and extending/embedding them in participating organisations is something that speakers highlighted.

- **Strategic engagement and profile in key areas**

The recognition that Scottish partners have a lot to offer as well as opportunities to learn has been important in building confidence and giving profile and perspective to stakeholders.

International recognition was an unexpected, but valuable, result noted by project partners. For example, in the CityLogo (URBACT), the recognition of the Dundee's leading role in the use of city branding and strategic communication as an economic development tool means the City now has a solid evidence base and confidence upon which to progress and justify further efforts.

The BeGood project built confidence and expertise of working with a new system and approach. The partners not only gained from the shared experience, but also the process of sharing their experience with others and the opportunity to become a 'leader' in the project.

- **Access to a distinct funding resource, without parallels in domestic policy**

The pooling of resources and knowledge delivers new opportunities and cooperation initiatives, and provides **funding for actions that do not necessarily fall within the remit of nationally-based or sectoral policies**. EU cooperation programmes can offer funding in niche and innovative policy areas and around shared spaces and resources.

In developing projects, partners invested effort into developing innovative thinking and ideas, taking a valued opportunity to take a wider perspective. This is especially important at a time

when budgetary pressures can force a narrowing of perspectives and focus solely on core tasks, as was highlighted by Keith Fiskin from SEStrans. Participation can help not only develop new area of activity, products and services, but leverage funding which can be used to secure staff or consultants to bring in new expertise. Unlike other EU programmes, staff time can be used as match funding.

The scale of the projects and the collaborative approach means there is an opportunity to 'give things a go', test, trial and pilot. If it works good - if not the organisation is better informed and can come up with solutions. Alan Connor speaking about the Mpower project, funded by the Interreg VB CBC programme, highlighted the value of cooperation for working more effectively, working better by linking up strengths, e.g. in work on patient well-being and health management, and for **recognising locational nuances and appreciating differences**. Cooperative actions are also valued as catalysts to stimulate bids for other forms of funding and action, either accessing a new market or driving innovation. For example, in cooperation programmes, the scale of the projects and opportunity to work in partnership is appealing to 'kick start' organisations wishing to engage, but lacking the experience or scale to move straight into a larger application to one of the bigger funds.

- **Basis for future collaboration**

All the presentations also highlighted that there is a commitment to more collaborative working in the future, building on existing networks and results, and bringing forward new ideas and opportunities. As opposed to weakening commitment to cooperation programmes, current challenges and uncertainties have led to a clearer appreciation of what is gained from ETC and intensified interest in pursuing opportunities for future collaboration. In working with cooperation programmes, participants have gone on to innovate and to do what they do better, for example by:

- applying new techniques and tools;
- gaining valuable institutional capacity and learning;
- shaping institutional thinking on issues that have gone on to change institutional, policy and service development and delivery;
- entry into new markets, improved commercial offering, profit and staff hired;
- allowing issues to be addressed on a more relevant/impactful scale and offering structure and focus to existing international links; and
- establishing long-term collaborative links.

4 WHAT? - PRIORITIES FOR SCOTTISH PARTNERS



4.1 What are the options?

Taking the EU's main objectives for Cohesion policy 2021-2027 as a starting point, see Figure 2, workshop participants outlined key territorial cooperation interests and priorities for the post-2020 period, and the potential for beneficial cross-overs and linkages between the themes. The workshop discussions were both wide ranging and involved in depth discussion of concrete ideas.

Figure 2: Objectives for Cohesion policy 2021-2027

Smarter	<ul style="list-style-type: none"> • promoting innovative and smart economic transformation
Greener	<ul style="list-style-type: none"> • promoting clean and fair energy transition, green and blue investment, the circular economy, climate adaptation and risk prevention and management
More connected	<ul style="list-style-type: none"> • enhancing mobility and regional ICT connectivity
More Social	<ul style="list-style-type: none"> • implementing the European Pillar of Social Rights
Closer to the citizens	<ul style="list-style-type: none"> • sustainable and integrated development of urban and rural and coastal areas and local initiatives
Interreg specific	<ul style="list-style-type: none"> • better governance • safer more secure

Source: DG Regio, (2018) New Cohesion policy https://ec.europa.eu/regional_policy/en/2021_2027/, accessed 16.09.2019

Note: The 'closer to the citizens' theme was not explicitly covered in the discussions, as it related more to delivery, although the importance of territorial needs and local initiatives is reflected.

The following sections aim to highlight key themes from discussions across the workshops, as well as some specific examples. Participants listed themes/issues/territories of particular interest and potential for future cooperation, points were also raised in wider discussion during the workshops. It is recognised that at each event specific territorial issues and links may be of more/less interest and the stakeholders participating. With this in mind, the following text and accompanying 'mind-maps', see Annexes 2-6, look across the events and group results, noting areas of particular interest. As noted, the sections focus on key themes and examples rather than providing a fully comprehensive account of all issues covered

4.2 European Territorial Cooperation Objectives 2021-2027

i. Smarter

Smarter growth, with innovation at its heart, was central to workshop discussions across all the proposed areas of intervention. Stakeholders are keen to build on the fact that ETC programmes are valuable for driving innovation, testing ideas and new technology. Projects engage at various stages in the innovation cycle, from inception to testing and pre-commercial development, to expanding application and adoption. Projects can offer a valuable perspective on where to target innovation efforts, scope to open and expand horizons, and the flexibility to 'give things a go'. Participants also stressed that innovation is an area where Scottish partners have a lot to offer as well as learn. Scotland, for example, has a strong record in terms of the quality of research coming out of Universities and capacity for commercialisation.

Workshop discussions were wide-ranging, with clusters of interest around **key and emerging sectors in the Scottish economy**, including the healthcare, energy, the marine economy, circular economy, transport, environmental and natural resources, and agriculture. Opportunities were highlighted in innovation around supporting manufacturing to improve productivity, working with social enterprises to support competitiveness and innovation, using data and knowledge management to improve services and support innovation, and improving environmental management. Recognising the scope for Interreg projects to be innovative themselves, stakeholders underlined the potential for future projects to take a very forward-looking perspective, e.g. opportunities to explore robotics, A.I. and new digital technologies.

Digital innovation was seen as offering a wide range of collaboration opportunities and as an area where the pace of change is driving a need to share resources, information and knowhow, e.g. open innovation and in emerging areas such as blockchain deployment, environmental monitoring systems and remote sensing and system design. Related, working across sectors cooperation could look at network dynamics, with a view to maximising flows and efficiency through process and system innovation using digital technologies. The opportunity to use digital technology to support in particular small and micro-enterprises with a 'digital boost' to build competitiveness and innovation could build on existing successful initiatives.

Discussions identified prospects to develop work on **innovative and smart public service delivery**, including a focus on end-user engagement and participation. In particular, opportunities in relation to remote healthcare and smart mobility were highlighted. In addition to new products and services, new ways of supporting on-going innovation and building better services were explored. For example, participants noted approaches linked to 'open/people innovation', with organisations looking outwards for ideas and innovation, consumer engagement in product/service development, and the use of widely distributed knowledge.



Related, opportunities emerging to work on 'social listening', modelling consumer behaviour, and managing information/misinformation were identified as opportunities for collaboration.

Supporting the innovation process itself is an existing strength within Interreg that has huge potential for on-going cooperation. Particular areas of interest identified in discussions were support for, bottom-up/grassroots innovation, innovation ecosystems, and mechanisms for innovation foresight, support for small and micro enterprises, innovation in the circular economy, routes to commercialisation, how to better link sectors and priorities, e.g. low-carbon goals and delivery of health and education services. The **territorial dimension** was also underlined. Interreg is a way for territories facing similar opportunities and challenges to work jointly to support innovation, e.g. looking at ways to up-scale innovative actions by micro-enterprises in remote/rural/coastal/island areas and building on innovation hubs

ii. Greener

Greener growth is a broad topic that covers a huge range of issues that demand cooperation and collaborative approaches. Partner discussions covered a wide range of possible areas/issues for future engagement covering the 'big issues' - climate change, energy, supporting green/low-carbon growth, and environmental protection. Each are global issues addressed at an international level, but they also demand local/regional level responses and bottom-up flows of ideas, approaches, and actions.

Zero/low-carbon is a major area of possible action that cuts across partner interests in various fields. Pursuing direct actions to tackle reducing current Co2 levels were explored, e.g. carbon capture and storage. Cutting future emissions through options to reduce travel (e.g. remote working), more energy efficient buildings, developing eco-products, addressing efficiencies in economic supply chains, recycling and waste reduction (especially food waste). Particular attention was given to activities in the green, blue and circular economies, and related changes in patterns of consumption.

Opportunities in the green and circular economies offer the potential for cooperation across a range of sectors. Working in a sustainable way with natural resources, e.g. marine resources and forestry, balancing deriving benefit and protecting the environment were discussed in relation to e.g. working with more locally sourced, plant-based products, e.g. 'proteins strategies', options around vertical farming, growing plants for locally-produced medicines, and aeroponics and aquaponics. The circular economy is an area that is of increasing importance in past and current projects. Looking to the future, this experience and expertise can be taken forward as the theme gains increased policy attention. Drawing inspiration from discussion on the opportunities in the green and circular economies, discussions on **blue growth** noted the opportunity to develop higher skill jobs and diversify and build on the sector. At the same time, the need for activities that are environmentally sensitive and sustainable and the

value of cooperation as a means to help the sector adapt and respond to rapidly changing environmental conditions linked to climate change are key.

As well as looking at economic activities and outputs, stakeholders noted the need for initiatives to encourage **reduced levels of consumption and changing patterns of consumer and industrial behaviours**. In particular, opportunities were identified to support work on recycling, reducing need to travel, reducing food waste, improve local food production and sustainability.

Central to zero and low-carbon ambitions is **energy production**. **Renewable energy** production and technologies are areas of acknowledged strength in the Scottish economy. Cooperation projects are viewed as a way to pursue the application and adaptation of new technologies, test and pilot schemes and build community engagement and capacities, e.g. in relation to marine renewables, energy networks, use of hydrogen, community energy production, especially in remote areas. Better managing production assets and new ideas around reusing/decommissioning oil and gas infrastructure were considered.

Environmental protection has been a very strong area of cooperation in the past and remains a focus, particularly in relation to reducing plastic use and pollution, e.g. through piloting alternatives to plastic. Opportunities were identified to work across territories, levels, sectors and areas of expertise on issues such as **climate change monitoring and planning**, particularly in relation to coastal areas, areas at risk of flooding and shared marine areas. Building local resilience and better informing and engaging with wider strategies were also mentioned. The impact of environmental change in specific areas and the particular needs of specific types of area were highlighted as important, e.g. how rural areas and communities can deliver innovative approaches/responses to environmental protection, or community involvement in energy production.

As well as funding the actions themselves, partners saw cooperation programmes as having a valuable role in looking at **mechanisms to support green and environmentally sustainable development**, e.g. green financing/ peer lending platforms.





iii. Connected

Discussion on the 'more connected' theme covered two main areas: digital connectivity and transport, as well as the links between the two.

Improvements to **digital connectivity** through improved access to superfast broadband was highlighted as an issue still to be pursued, especially in remote areas. However, reflecting the increased opportunities and access to and use of on-line services, much of the discussion focussed on providing and connecting with services, e.g. innovations in e-health provision, linking services and service providers to provide more integrated health and social care, sharing best practice and piloting new schemes, rolling out new innovative pilot schemes, and service planning. In this area, the pace of change and technological improvements and the need to support and encourage take-up means cooperation with leaders in the field and sharing expertise is especially valuable, e.g. in improving services and boosting cyber security.

Opportunities to boost digital connectivity and accessibility are important. However, the **underlying importance of physical links and connections remains**. In particular, the challenge of connectivity, that is not solely reliant on internet connectivity, is still an issue for remote and rural areas and islands. In more densely populated areas, the need to make transport greener, more integrated and efficient is an area where cooperation is seen as a source of new ideas, models and applications. Cooperation projects can be used to test new schemes, and support the roll out of new technologies, e.g. hydrogen ferries, electric cars/public transport. Thus, interest remains in projects which focus on, for example, how best to make town centres more cycle friendly, management of transport infrastructure and services (electrification), active transport, highways of the sea, promoting behavioural change in transport, maintaining transport connectivity and new challenges, including new third country borders.

Linking digital connectivity and transport a number of ideas focussed on smart mobility, smart ticketing, improved transport planning in cities and hubs, analyses of transport in supply chains, especially the food sector, using technology to model transport flows and understand the impacts of travel and flows in key destinations and visitor sites. It was also highlighted that Scotland has been a valuable partner in this field and provides a good 'test-bed'

iv. Social

Social cohesion is has multiple dimensions which were reflected across partner discussions. Key recurring themes and opportunities for cooperation centred around the interrelated themes of education and skills, health, the needs of youth and elderly populations, and community integration and cohesion.

Social inclusion is key to stakeholder thinking on the 'more social theme'. The specific needs of groups such as the elderly, youth, migrant populations, communities in peripheral communities and areas of multiple deprivation cut across thinking on a wide range of possible areas for cooperation. **Wellbeing and health** are areas where there is already very productive and valuable cooperation. Opportunities to continue and further develop work in this area were discussed. Ideas included working on youth mental health services, improved access to services for elderly populations through online care opportunities, dementia care, facilitate connections between wellbeing and healthcare services, improve service provision in territories with particular geographic challenges e.g. remote and island communities), and support access to services for people with disabilities(e.g. working across sectors linking transport and health services). Specific issues, such as the impact of fuel and energy poverty, were also raised as issues which have a major impact on wellbeing.

Education and employment/skills is another area seen as offering significant potential in particular through interventions tailored to address specific area needs, e.g. 'talent attraction' for skilled workers in more remote areas, how to make traditional jobs more attractive, building sustainable quality employment for young populations, and improving awareness of opportunities and addressing skills gaps. New ways to deliver and engage target groups in training and educational services, e-learning and targeting/tailoring support for specific groups/themes promoting access are big opportunities for cooperation, with access to skills, knowhow and new technologies/approaches.

Taking a wider view, **community sustainability, engagement, and integration** lay at the heart of much of the thinking on future cooperation efforts. Social integration and engagement between groups with a view of building more integrated sustainable communities offers many opportunities for cooperation, around for example, managing the impacts of demographic aging, encouraging economic activity post retirement. Some of the discussions focussed on supporting communities to develop and diversify their economies and activities. Tourism and the use of cultural capital is an area of expanding interest, with destination management, sustainability, seasonality key concerns. Reflecting wider debates, opportunities and challenges linked to the contested histories of place, linked to gender balance, indigenous populations, and colonial histories were discussed in relation to and how to integrate these strands into visitor and tourism offers. The role of social enterprises in cities, towns and more remote areas and the opportunity to share expertise in this area and grow the sector was another area for potential cooperation, with support for social enterprises to grow and map opportunities.



Throughout, the issues of improving public service access and quality were key reference points for project ideas and opportunities. Linking back to opportunities through innovative and digital/remote service provision, reference was made to exploring service hubs, running pilot schemes, embedding and extending innovative services. As well as providing new services the possibilities to better use existing resources, mobilise community capacity and improve provision by better connecting facilities and resources were highlighted.

v. *Interreg specific*

The Interreg specific priority covers two main areas 1) better Interreg governance and 2) safer more secure. Discussions covered a number of points under each heading.

Better Interreg Governance:

- Support for synergies with other programmes
- Pursuing sea basin cooperation
- How to build in more private sector participation, in particular how to work with SMEs more effectively/realistically
- Addressing issues with IP
- Building cooperation, as opposed to competition into project calls – more matchmaking
- Work with participatory budgeting
- Integration of low carbon strategies
- Building longevity and durability into projects – how to embed into mainstream once piloted

Safer more secure

- Integration of Roma communities and migrant communities (especially in sparsely populated areas)
- Building community engagement, working with for example participatory budgeting

4.3 Recurring themes and linkages

As has been noted, workshop discussions were wide ranging and very open. However, looking across the workshops and the points raised a number of key points emerge.

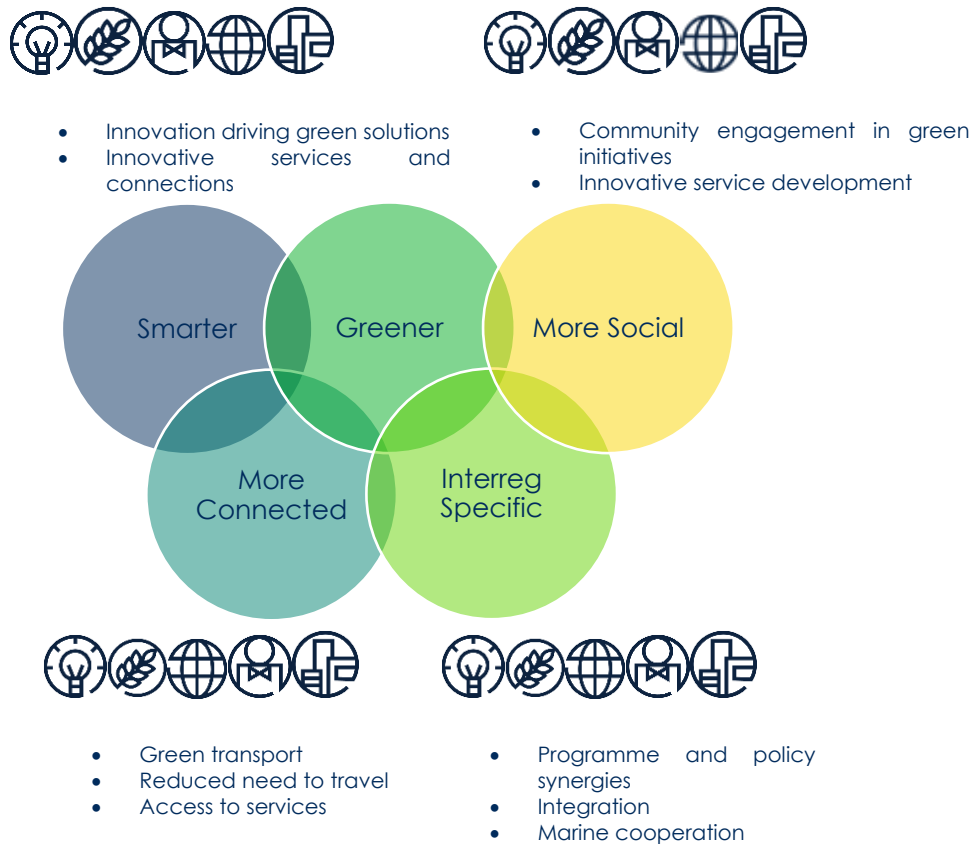
Smarter and greener are the 'stand out' themes cutting across objectives, and objectives in their own right in relation to key sectors, e.g.

- Innovation
 - Digital innovation and opportunities
 - Open innovation
 - Social enterprises
- Low-carbon and sustainable development
 - Renewable (innovation, access and use)
 - Zero carbon (circular economy, housing, products)
 - Blue growth/marine economy
 - Environmental management/protection
- Communications and green transport
 - Smart mobility
 - Planning
- Public service provision and integration
 - Health
 - Wellbeing (youth and elderly)
 - Education and skills
 - Community sustainability cohesion and integration.

'More Social', in particular in relation to health and well-being and innovation in service provision, and 'More connected', especially around green/smart transport solutions, were both widely referred to. **Grounding interventions in the Smarter and Greener themes allows considerable flexibility, as the overall themes are very interrelated**, as is illustrated in the thematic mind maps and also in Figure 3.



Figure 3: Thematic links



Another message that comes out strongly from the discussions is the opportunity to address specific territorial needs and the value of programmes and projects as tools connecting **territories with shared development needs**. Workshop discussions particularly highlighted the opportunities for cooperation based around **remote rural areas, the needs of coastal and island communities, and the particular pressures faced by urban areas**. As will be discussed, these interests are also reflected in the countries identified as future cooperation partners.

5 HOW? – WHERE TO COOPERATE AND TECHICAL ISSUES



Workshop discussions reveal the strong cross border, transnational and interregional links of interest to stakeholders, which reflect and reinforce existing links and cooperation ties, address new opportunities and interests, and highlight the extent of Scottish partners' geographic reach/interests in Interreg and European Territorial Cooperation.

5.1 Territorial focus

Throughout discussions, the value of openness to cooperation across the EU, and with neighbouring states was stressed, with possible partners identified as far apart as Greenland and Greece. However, based on discussions, it is possible to identify broad patterns in the countries and territories of particular interest for future cooperation. As will be illustrated, particular attention focussed on:



- countries in the **northern periphery of Europe**, in particular Norway, Sweden, Finland, and also Iceland and the wider Arctic countries;
- partners in the North Sea and North West Europe regions, in particular the **Netherlands, Denmark, Germany and Belgium**; and
- opportunities to link with **territories with island and coastal links**.

The connections and opportunities of cooperation with **Ireland, and Northern Ireland** were noted in general discussions of opportunities in cooperation in the Northern Periphery and Arctic Programme (in which Ireland and NI are partners), coastal links, and were specifically mentioned in relation to some themes. These patterns were broadly reflected across each of the themes, and complemented by more specific references.



For the Smarter theme, the value of remaining open to links and ideas from across the EU is central to supporting innovation and smarter solutions. However, territorial specialisms and shared development challenges also informed thinking. The result is a particular focus on links with the **Nordics**, and countries in the **North Sea and North West Europe**, in particular **Denmark, Netherlands**.



In relation to 'Greener' development, again links across the EU were seen as important, especially given the scale and interdependent nature of the issues. Nevertheless, particular area of interest are as follows: the **Nordic countries were** highlighted in relation to a number of specific themes including the role of renewables in remote/rural island economies (Northern Periphery and Arctic programme area as a whole, and specifically Norway and Iceland), use



of remote working (Iceland, Finland, Norway, Sweden), climate change mitigation (Nordic countries), environmental management & protection (Nordics countries). **Ireland** is also incorporated in the Northern Periphery and Arctic Programme area, with specific opportunities noted in relation to energy.

The **North Sea region** was also frequently mentioned in relation to green and environmental interventions, in particular **Netherlands, Germany, Belgium, and Denmark**, e.g. clean tech and recycling (Netherlands, Belgium, Denmark); energy efficient housing (Netherlands, Belgium, Denmark), coastal change (Netherlands), Energy (**Denmark**, off shore wind). The wider North West Europe was mentioned in relation to energy (France, off shore wind), and eco products and supply chains (**Netherlands, Germany and France**). Specific issues were seen as relevant to other areas, e.g. Italy such as working with sustainable food development, and sustainable tourism (**Spain, France, Portugal**).



The territorial interests in the 'More Connected' theme were particularly concentrated around the following areas: 1) remote, rural and coastal communities (**Nordics countries, Atlantic coasts**, and other Member States with large numbers of Islands); 2) cities and urban areas (North West Europe, North Sea). Transport planning and logistics interests were noted in relation to North West Europe, and in particular the **Netherlands, Germany and Belgium**. Cooperation with Netherlands, **Denmark and the wider North Sea Region** were identified for multi modal transport, changing transport behaviours, and new forms of transport. Other examples include: low-carbon ferries (Greece, Nordic countries and especially Norway); smart mobility and design (Germany, Netherlands, France, Austria, Sweden, Denmark); connectivity and tourism (Spain, Italy); and cross-border links with **Ireland** (and Northern Ireland).



Cooperation opportunities in the 'More Social' theme were notable in relation to in particular the **Nordic countries, Ireland**, and the **North Sea** countries (Germany, Netherlands and Belgium), although wider links were also identified. For example, service provision/sustaining services impacts of demographic ageing (Sweden, Finland, Norway), new public service delivery (Norway), addressing needs of vulnerable groups (Nordic countries, especially Norway) ; improved access to services (**Iceland**). Also mentioned were the North Sea region, in terms of skills and quality jobs (Germany), integrated service provision (Belgium, Netherlands) addressing needs in coastal communities, the impact of demographic change and migration (Germany), and energy poverty (North West Europe).



Interreg Specific links covered all EU Member States, but specific links could be envisaged for the following: match-making (Northern Periphery and the Arctic, North Sea Region, Ireland, Northern Ireland and Wales); integration (Northern Periphery and the Arctic, North Sea Region, Atlantic, North West Europe); integration of Roma and migrant populations (North West

Europe, Central and Eastern Europe. North Sea); super grid (Netherlands, Denmark, Sweden, Norway, Germany, Belgium).

Figure 4: Mapping partner interests



Map Key

Smarter		Greener		More connected	
All EU ✓✓ NPA ✓✓✓✓ NSR ✓✓ NWE ✓✓	NO ✓✓ SE ✓✓ FI ✓✓ DK ✓✓ IE ✓✓✓✓ DE NL ✓ BE ✓	All EU ✓✓✓ NPA ✓✓✓✓ NSR ✓✓✓ NWE ✓✓ Atlantic ✓	NO ✓✓✓✓✓ SE ✓✓✓ FI ✓✓✓✓ DK ✓✓✓ DE ✓✓✓ NL ✓✓✓✓ BE ✓ IE ✓✓✓ Ice ✓✓✓ FR ✓✓✓✓ Greenland ✓ IT ✓ ESP ✓✓✓ PTI ✓✓ Slovenia ✓	All EU ✓✓✓ NPA ✓✓✓✓ NSR ✓✓✓ NWE ✓✓ Atlantic ✓	NO ✓✓✓✓✓ SE ✓✓✓ FI ✓✓✓ DK ✓✓✓ DE ✓✓✓ NL ✓✓✓✓✓ BE ✓✓ IE ✓✓✓✓ Ice ✓✓✓ FR ✓✓✓✓ Greenland ✓ IT ✓✓ ESP ✓✓ Portugal ✓ Austria ✓ Greece ✓✓
More Social		Interreg Specific		Notes:	
All EU ✓ NPA ✓✓✓✓✓ NSR ✓ NWE ✓	NO ✓✓✓✓✓ SE ✓✓✓ FI ✓✓✓ NL ✓✓ Poland ✓ Ireland ✓✓✓✓ France ✓ Spain ✓ Iceland ✓ Belgium ✓ Portugal ✓ Greece ✓ Germany ✓✓ Italy ✓	All EU ✓✓✓ NPA ✓✓✓ NSR ✓✓ NWE ✓✓ Atlantic CEE ✓	NO ✓✓✓✓ SE ✓✓✓ FI ✓✓✓ DK ✓ DE ✓✓ NL ✓✓✓✓ IE ✓	<ul style="list-style-type: none"> the map and key gives a broad indication of interests there is overlap between the areas 	





5.2 Technical issues to consider

The foci of discussions were on the 'what and where' questions concerning future territorial cooperation. Nevertheless, a number of insights on more technical implementation issues were also raised and are worth recording:

- Interreg projects are not straightforward. It can take time for projects and project partners to find their feet, get going, and build relationships. Scottish partners have worked hard to build these links and understanding, the programmes are at a point where they will really be 'coming into their own' in terms of how they work and what they can deliver.
- Partners remain keen to cooperate, which can sometimes be more important than the actual area/theme where you work. So, adopting quite a pragmatic, flexible approach could be productive.
- Networking in advance is key. It is important to think about opportunities to network before projects and allow lead ins for the next rounds and to align with objectives.
- How best to engage with SMEs is a long standing issue for Interreg, with issues around capacity, concerns about bureaucracy, intellectual property, and state aid being barriers. Programmes could think more widely in terms of associate partners. There could be a role for Chambers of Commerce to represent SMEs in project, for example the Inverness Chamber of Commerce is very keen to get involved.
- There are issues regarding intellectual property. Clear instructions on IP, especially for Universities are important.
- How best to drive innovation and get a head of the game led to discussions about the use of 'short sharp' projects. There can be a tendency to simply chase money, but projects need to more consciously chase need and be allowed to 'give things a shot', accepting that in new an innovative areas things might not all work. For example, could there be very focussed year-long explorative projects?
- Conversely, for other participants, it was felt that three to five years was not always a long enough period, although some projects roll on.
- The point was raised that Scotland will have finite resources and programme resources will be hit by budget cuts, it may be necessary to work across Scotland, rather than simply on the basis of specific territories within Scotland. This would increase the range of potential partners and sources of match funding.
- Few receive 'new' money for match funding what they do is take existing resource and put into projects - a lot of the money is staff resource time. Can take resource and enhance by Interreg participation and get extra from that and the additional learning.

6 CONCLUSIONS

This report provides some clear indications of thematic and territorial areas of interest for the post 2020 period. First, amongst stakeholders there is **on-going commitment and enthusiasm**, with particular value attached to European Territorial Cooperation as a source of:

- productive networking and exchange of ideas: engagement with partners at the leading edge of research and within key sectors;
- building and extending innovation and competitiveness through collaboration;
- achieving scale and critical mass to engage in international markets;
- strategic engagement and profile in key areas; and
- 'distinct' funding resource, without parallels in domestic policy.

Speaking at the CBC event, Ivan McKee Minister for Trade, Investment and Innovation in Scotland highlighted the **value and potential of working together and the interest in maintaining cooperation going forward**. As noted by Gina McIntyre, Chief Executive of SEUPB, and evident throughout the consultation events, the current pressures and uncertainties have acted to sharpen partner's appreciation of what would be lost if cooperation programmes were not available.

Second, stakeholders expressed interest in engaging on a wide range of issues, some very specific project ideas others broader indications of areas of future interest. Particular attention focussed on **the 'Smarter' and 'Greener' themes**, with 'Greener' gaining particular attention due, in part, to the fact that it cuts across thinking on such a wide range of issues, it is a key driver for innovation and change, and climate change and environmental protection are global concerns with very local/territorial impacts.













Third, is discussing where cooperation efforts could productively target the **value of cross EU cooperation was emphasised** and many examples of possible cooperation beyond Scotland's 'immediate neighbourhood' were where identified, e.g. working on sustainable tourism with partners in Italy, Spain and Greece. However, **particular attention did focus on 'Northern links'** to the Nordic countries, North Sea, in particular Denmark, Netherlands and Belgium, and also Germany and France.



These findings reflect both continuity and consistency and but also a drive to add value, move the agenda on. Among stakeholders, there is a sense that cooperation has 'come of age' in the current and forthcoming round of programmes and frameworks – people and organisations are able to maximise impacts. In doing so, collaboration is increasingly able to deliver:

- greener initiative and development;
- skills and institutional capacity;
- growth and jobs in key, sustainable, sectors;
- new products, services, sectors and markets;
- supporting product, service and policy innovation; and
- building the profile and confidence of Scottish stakeholders at home and internationally.

7 ANNEXES

7.1 Annex 1: European Territorial Cooperation Programmes 2014-2020

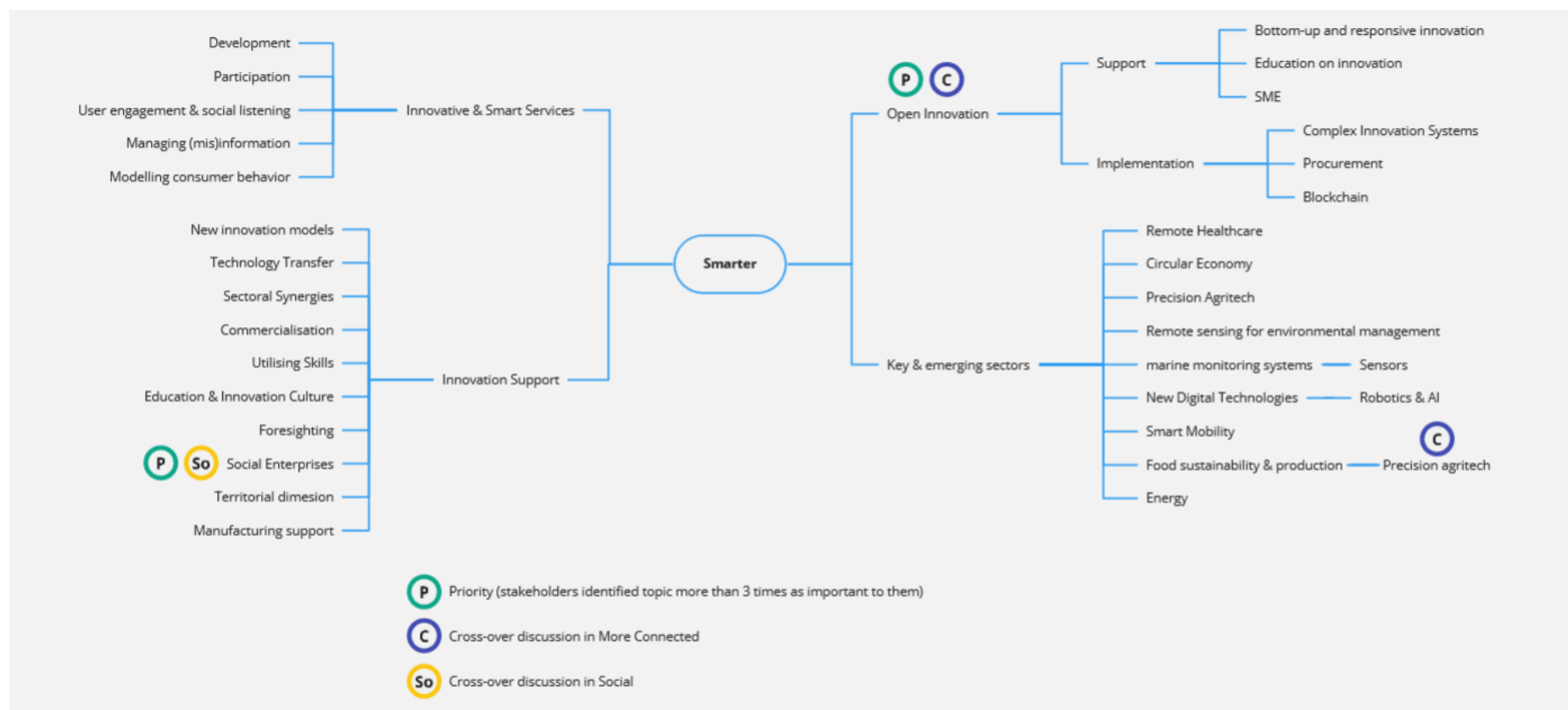
<p>Interreg  Ireland-NI-Scotland Cross Border</p>  <ul style="list-style-type: none"> Increase regional R&I capacity and foster SME and research collaborations Protect habitats and species, manage priority marine areas and improve water quality Promote sustainable mobility and increased connectivity for an integrated transport network Quality healthcare services through improved sharing and coordination of health solutions <p>2 Partner States ERDF € 225m Grant 85% public & private</p> <p>seupb.eu</p>	<p>Interreg  Northern Periphery and Arctic</p>  <ul style="list-style-type: none"> Using Innovation to maintain and develop robust and competitive communities Promoting entrepreneurship to realise the potential of the region's competitive advantage Protecting, promoting and developing cultural and natural heritage Fostering energy-secure communities through renewable energy & efficiency <p>8 Partner States ERDF € 47m Grant 65% public 50% private</p> <p>northernperiphery.eu</p>
<p>Interreg  North Sea Region</p>  <ul style="list-style-type: none"> Thinking Growth: strengthen knowledge, generate growth & jobs, and increase innovation Eco-innovation: stimulate the green economy to improve the area's environmental footprint Sustainable North Sea Region: protect against climate change and preserve the environment Promote green transport and mobility: sustainable passenger, freight and logistics solutions <p>7 Partner States ERDF € 156m Grant 50% public & private</p> <p>northsearegion.eu</p>	<p>Interreg  North West Europe</p>  <ul style="list-style-type: none"> Enhance the Innovation performance of enterprises Foster the implementation of low carbon strategies Increase the uptake of low carbon technologies Develop low carbon solutions in transport systems Optimise the (re)use of material and natural resources <p>8 Partner States ERDF € 372m Grant 60% public & private</p> <p>nweurope.eu</p>
<p>Interreg  Atlantic Area</p>  <ul style="list-style-type: none"> Stimulate innovation and competitiveness to accelerate intelligent growth Foster resource efficiency of renewable energies, eco-innovation and green growth Strengthen resilience to natural, climate & human risks and environment management Enhance biodiversity environmental protection and promote natural/cultural assets <p>5 Partner States ERDF € 131m Grant 75% public & private</p> <p>atlanticarea.ccdn-n.pt</p>	<p>Interreg  Interreg Europe</p>  <ul style="list-style-type: none"> RTD and Innovation policies to enhance infrastructures, capacities and excellence SME competitiveness policies for new innovation and growth in new/emerging markets Low-carbon policies promote green economy strategies for all types of territories Environment and resources policies for green growth, eco-innovation and sustainability <p>30 Partner States ERDF € 337m Grant 85% public 75% private</p> <p>interregeurope.eu</p>

<div data-bbox="229 210 373 241">  </div> <div data-bbox="252 250 497 488">  </div> <div data-bbox="229 497 507 582"> <table border="1"> <tr> <td>30 Partner States</td> <td>ERDF € 69m</td> <td>Grant 70% public only</td> </tr> </table> </div> <div data-bbox="577 210 694 237"> <h3>URBACT III</h3> </div> <div data-bbox="536 250 740 546"> <ul style="list-style-type: none"> Improve the capacity of cities to manage sustainable urban policies and practices Improve the design of sustainable urban strategies and action plans in cities Improve the implementation of integrated plans for sustainable urban development Ensure that practitioners and decision-makers have increased access to thematic knowledge </div> <div data-bbox="652 564 732 586"> urbact.eu </div>	30 Partner States	ERDF € 69m	Grant 70% public only	
30 Partner States	ERDF € 69m	Grant 70% public only		

Source: Scottish Government presentation to Future ETC (Interreg) Workshop Inverness 9 September 2019

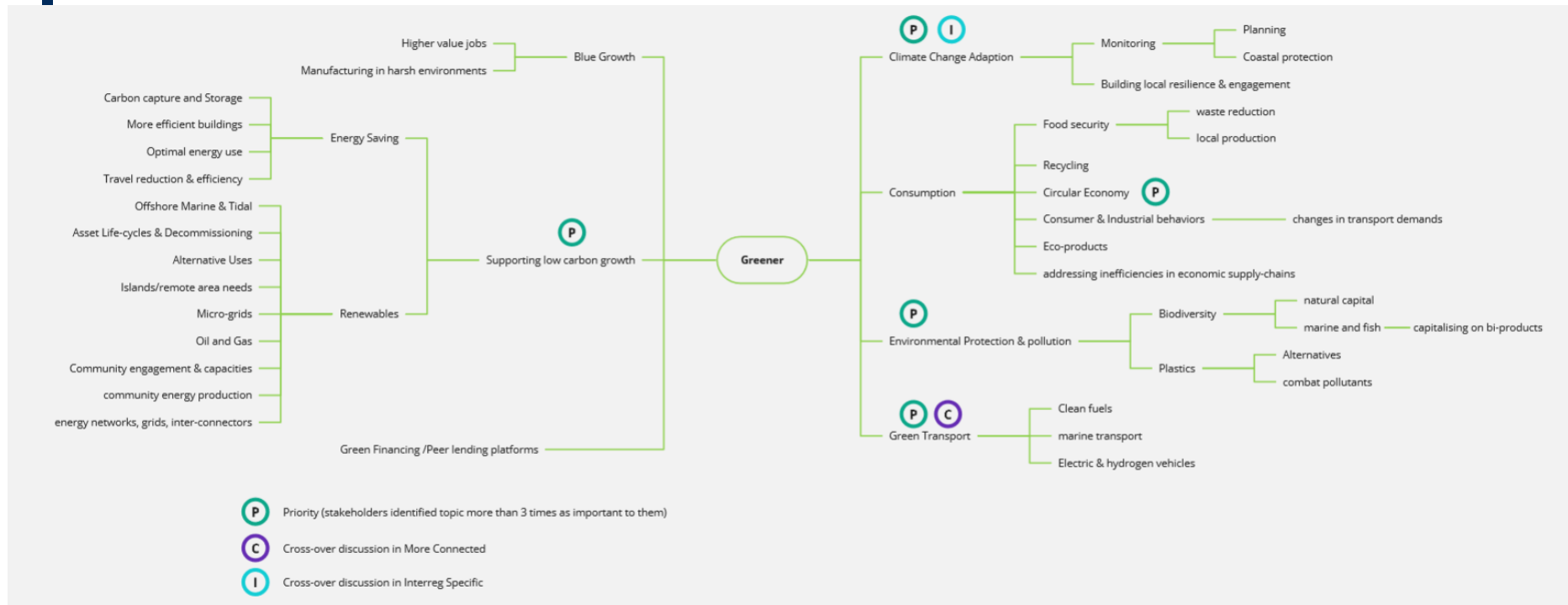


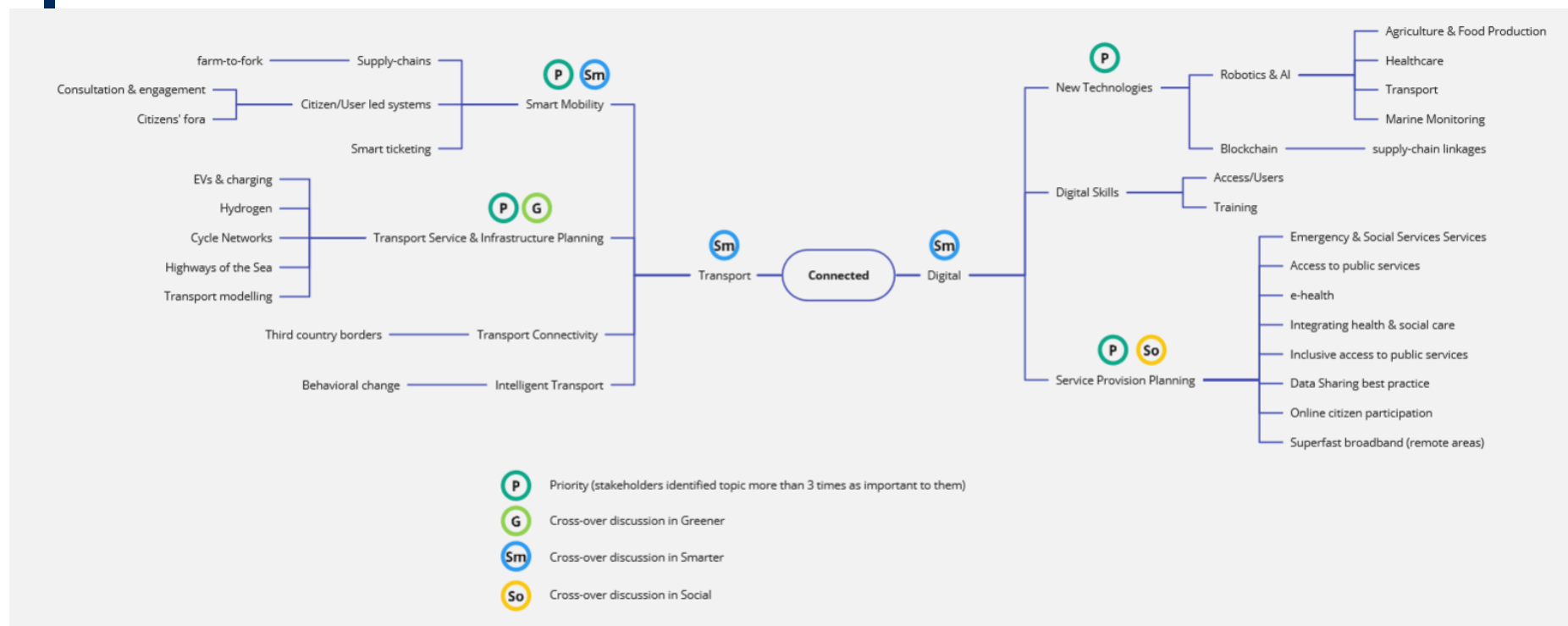
7.2 Annex 2 - Smarter - promoting innovative and smart economic transformation



Source: Developed by I. Green Scotland Europa

7.3 Annex 3 - Greener - promoting clean and fair energy transition, green and blue investment, the circular economy, climate adaptation and risk prevention and management

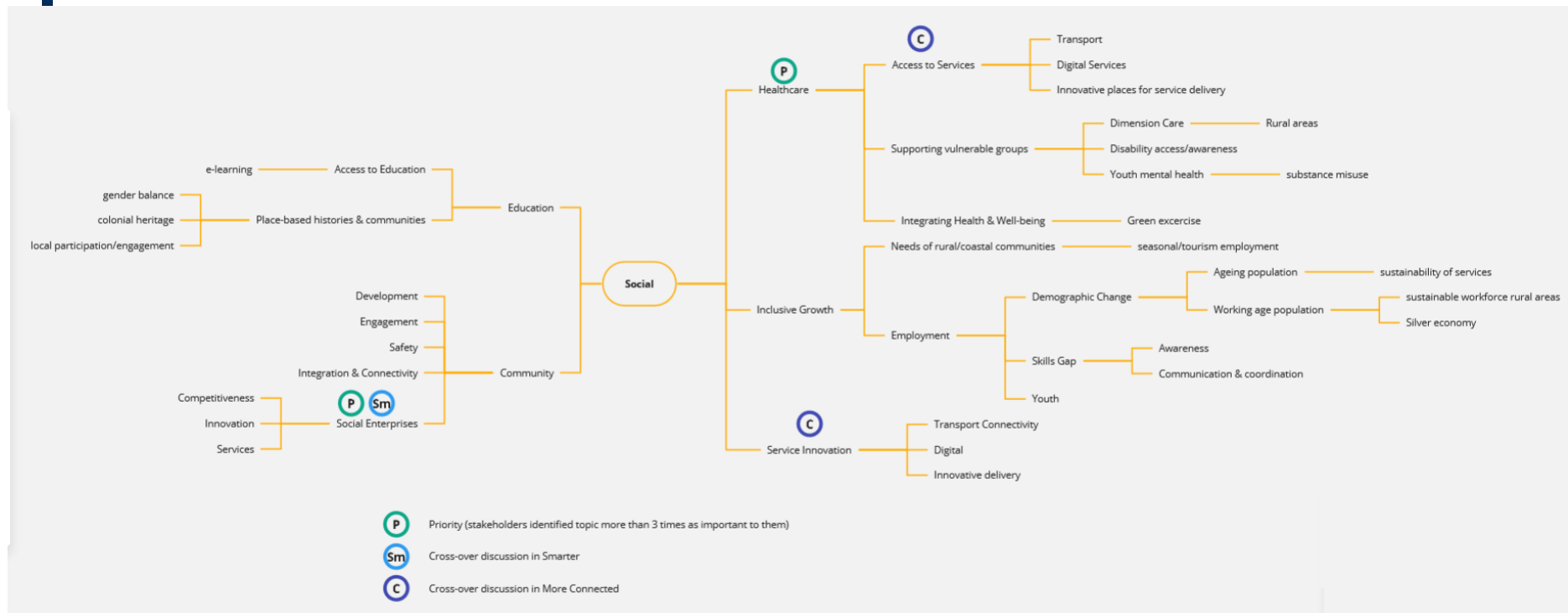




Source: Developed by I. Green Scotland Europa

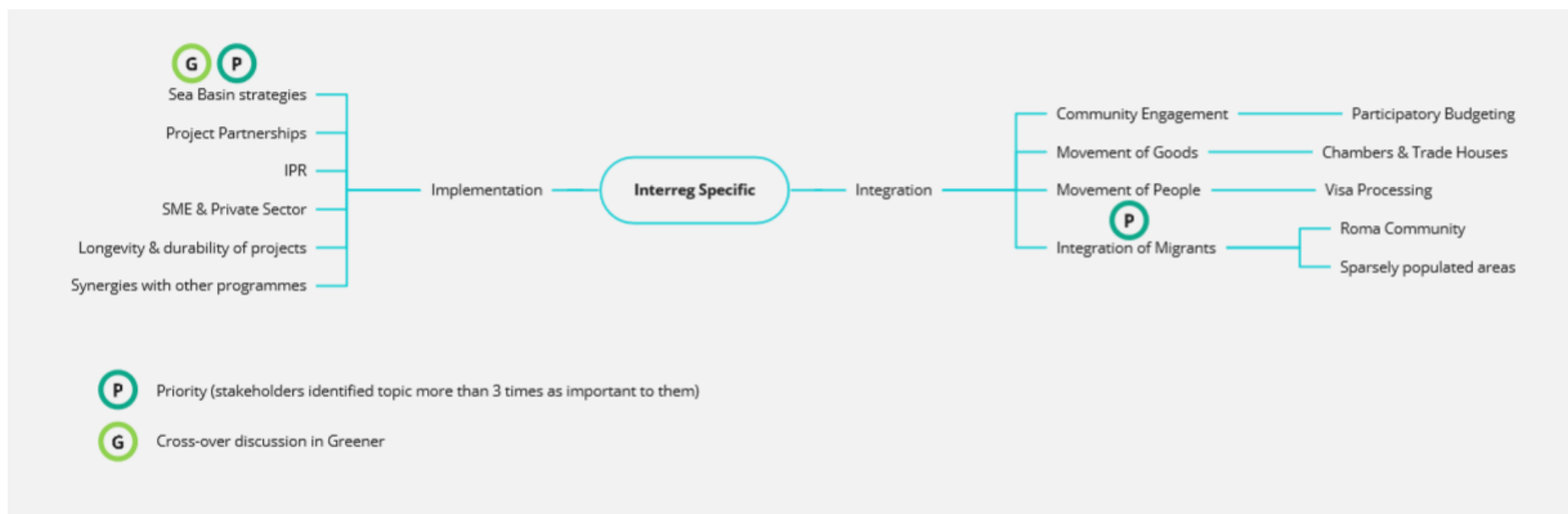
7.5

Annex 5 - More Social - implementing the European Pillar of Social Rights



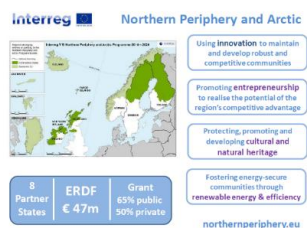
Source: Developed by I. Green Scotland Europa

7.6 Annex 6 - Interreg specific - better governance & safer more secure



Source: Developed by I. Green Scotland Europa

Northern Periphery and Arctic



Smarter: Innovation support in remote regions; Supporting remote working; innovation through utilising and learning from traditional skills and sectors; university links; improving supply and value chains clustering; process innovation; open innovation; succession planning; online citizen participation; social enterprises, use of A.I; marine monitoring , remote sensing, digital innovation, smarter services, data management and sharing/data observatories; social listening; encouraging innovation and pre-commercial support

Greener: Natural capital; Renewables in remote and rural areas; climate change mitigation and adaptation; environmental management and protection; plastics pollution; circular economy; education and e-learning on climate/environment; reducing CO2 emissions; use of hydrogen and alternative fuels; community energy production; green financing, alternatives to plastics; marine renewables; blue growth; life cycle of renewable assets; improving the built environment energy efficient housing

More Connected: Destination management and planning (more sustainable communities); broadband connectivity; sharing good practice in use of tech in service delivery; digital skills; connectivity to e-health; integration of e-service delivery and face-to-face; green transport; reducing travel;

More Social: addressing impacts of demographic ageing; service provision and access, addressing the needs of vulnerable groups (especially in remote areas); innovative service provision; digital heritage and links reducing loneliness and isolation; community engagement and ownership, linking health and well-being; access to education; engagement with education services/opportunities; opportunities in the silver economy; quality youth employment; youth mental health; sustainable employment in rural and remote areas; community development through culture and history/contested histories; inclusion and development in coastal area; access to services for people with disabilities; fuel/energy poverty

Interreg specific: Integration; longevity of projects and project impacts; synergies with other programmes

<p>North Sea Region</p>  <p>The image shows a map of the North Sea Region, highlighting the coastal areas of the UK, Ireland, and the Benelux countries. To the right of the map, there are four boxes with text: 'Thinking Growth: strengthen knowledge, generate growth & jobs, and increase innovation', 'Eco-innovation: stimulate the green economy to improve the area's environmental footprint', 'Sustainable North Sea Region: protect against climate change and preserve the environment', and 'Promote green transport and mobility: sustainable passengers, freight and logistics solutions'. Below the map, there is a box with '7 Partner States', 'ERDF € 156m', and 'Grant 50% public & private'. At the bottom right of the map area is the website 'northsearegion.eu'.</p>	<p>Smarter: improving supply and value chains clustering; process innovation; open innovation; succession planning; online citizen participation; social enterprises; use of A.I.; robotics in agriculture; Marine monitoring, remote sensing, digital innovation, smarter services, Precision agritech; data management and sharing/data observatories; social listening; encouraging innovation and pre-commercial support</p> <p>Greener: Climate change adaptation; Clean tech; recycling; energy (offshore wind); energy efficient housing; Coastal change, use of hydrogen and alternative fuels; electric car usage; plastics pollution; circular economy; education and e-learning on climate/environment; reducing CO2 emissions; community energy production; environmental protection, marine renewables; clean fuels (hydrogen); renewable energy networks; blue growth; life cycle of renewable assets; improving the built environment energy efficient housing</p> <p>More Connected: Transport planning and logistics; multimodal transport solutions; changing transport behaviours; low carbon ferries; new forms of transport; smart mobility; Destination management and planning (more sustainable communities); broadband connectivity; sharing good practice in use of tech in service delivery; digital skills; connectivity to e-health; electrification of transport ; cycle routes/planning; integrated transport systems</p> <p>More Social: Quality of jobs and skills; integrated service provision; innovative places for service delivery; integrated approaches to health and well-being; addressing demographic change and migration; social integration; health and social support to vulnerable; opportunities in the silver economy; quality youth employment; youth mental health; sustainable employment in rural and remote areas; health and social care integration; community development through culture and history/contested histories; inclusion and development in coastal areas; fuel/energy poverty</p> <p>Interreg specific: N. Sea super grid; Integration; longevity of projects and project impacts; synergies with other programmes</p>
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<p>North West Europe</p>  <p>Interreg North West Europe</p> <ul style="list-style-type: none"> Enhance the innovation performance of enterprises Foster the implementation of low carbon strategies Increase the uptake of low carbon technologies Develop low carbon solutions in transport systems Optimise the (re)use of material and natural resources <p>5 Partner States ERDF € 372m Grant 40% public & private nweurope.eu</p>	<p>Smarter: improving supply and value chains clustering; process innovation; open innovation; succession planning; online citizen participation; social enterprises; use of A.I; robotics in agriculture; Precision agritech; Marine monitoring; remote sensing, digital innovation, smarter services, data management and sharing/data observatories; social listening; encouraging innovation and pre-commercial support</p> <p>Greener: Climate change adaptation; Energy (off shore wind); eco products and supply chains; plastics pollution; circular economy; education and e-learning on climate/environment; reducing CO2 emissions; community energy production; use of hydrogen and alternative fuels; renewable energy networks; blue growth; improving the built environment energy efficient housing; agritech and improvements; electrification of transport; integrated transport systems</p> <p>More Connected: Urban transport and planning/logistics; smart mobility; broadband connectivity; sharing good practice in use of tech in service delivery; digital skills; connectivity to e-health; quality youth employment; youth mental health; supply chain management, smart transport planning</p> <p>More Social: Integrated service provision; quality jobs and skills; opportunities in the silver economy; sustainable employment in rural and remote areas; community development through culture and history/contested histories; fuel/energy poverty</p> <p>Interreg specific: Integration; longevity of projects and project impacts; synergies with other programmes</p>
<p>Atlantic Area</p>  <p>Interreg Atlantic Area</p> <ul style="list-style-type: none"> Stimulate innovation and competitiveness to accelerate intelligent growth Foster resource efficiency of renewable energies, eco-innovation and green growth Strengthen resilience to natural, climate & human risks and environment management Enhance biodiversity environmental protection and promote natural/cultural assets <p>5 Partner States ERDF € 131m Grant 75% public & private atlanticarea.ccd-r-n.pt</p>	<p>Smarter: improving supply and value chains clustering; process innovation; open innovation; succession planning; online citizen participation; social enterprises; use of A.I ; marine monitoring remote sensing, digital innovation, smarter services, data management and sharing/data observatories; social listening; encouraging innovation and pre-commercial support</p>



	<p>Greener: Climate change adaptation; plastics pollution; circular economy; education and e-learning on climate/environment; reducing CO2 emissions; community energy production; environmental protection, marine renewables; blue growth; green and eco tourism</p> <p>More Connected: Connectivity and tourism; remote and coastal connectivity; broadband connectivity; sharing good practice in use of tech in service delivery; digital skills; connectivity to e-health; inclusion and development in coastal areas; supply chain management, smart transport planning</p> <p>More Social: Destination management and planning (more sustainable communities; sustainable employment in rural and remote areas; fuel/energy poverty</p> <p>Interreg specific: Integration; longevity of projects and project impacts; synergies with other programmes</p>
<p>Ireland, Northern Ireland, Scotland</p>	<p>Smarter: Rural innovation improving supply and value chains clustering; process innovation; open innovation; succession planning; online citizen participation; social enterprises; use of A.I ; data management and sharing/data observatories; social listening; circular economy; remote healthcare, encouraging innovation and pre-commercial support</p> <p>Greener: Climate change adaptation; plastics pollution; circular economy; education and e-learning on climate/environment; reducing CO2 emissions; community energy production (wave and tidal); environmental protection, marine renewables; blue growth</p> <p>More Connected: broadband connectivity; sharing good practice in use of tech in service delivery; digital skills; connectivity to e-health; smart mobility</p>



	<p>More Social: Health and social support; e-learning; access to education; engagement with education services/opportunities; sustainable employment in rural and remote areas; community development through culture and history/contested histories; inclusion and development in coastal areas; fuel/energy poverty</p> <p>Interreg specific: Integration; longevity of projects and project impacts; synergies with other programmes</p>
<p>EU+ cooperation</p>  <p>Australia, NZ and Japan, Canada</p>	<p>Smarter: improving supply and value chains clustering; process innovation; open innovation; succession planning; online citizen participation; social enterprises; use of A.I ; data management and sharing/data observatories; social listening; encouraging innovation and pre-commercial support</p> <p>Greener: Climate change adaptation; Sustainable food supply chains; sustainable tourism; plastics pollution; circular economy; education and e-learning on climate/environment; reducing CO2 emissions; community energy production; reducing food waste; environmental protection, marine renewables; blue growth</p> <p>More Connected: Connectivity and tourism; Destination management and planning (more sustainable communities; maintaining 3rd country border links ; integrated transport systems</p> <p>More Social: Migration; access to education; engagement with education services/opportunities;</p> <p>Interreg specific: Integration; longevity of projects and project impacts; synergies with other programmes</p>

