

New era of Nordic Cooperation



Jyväskylä

Photo: Kjell Nilsson

14 November, 2017

Enordregio was established in 1997 by the Nordic Council of Ministers

- Amalgamation of three institutes: Nordplan, Nordrefo and Nograd
- Providing knowledge that enhances **Nordic** cooperation and strengthens the Nordic countries while acting in a global context
- Development of policy-relevant and evidence-based **knowledge** concerning territorial development



Photos: Karin Beate Nøsterud/norden.org, VisitDenmark, Nicolai Perjesi

Staff and economy

- 42 staff members (34 researchers)
- 18 nationalities
- Annual turnover: ca. 5 million Euro
- Annual grant from Nordic Council of Ministers: ca 33% of budget
- Nordic, national and international research funding and commissions



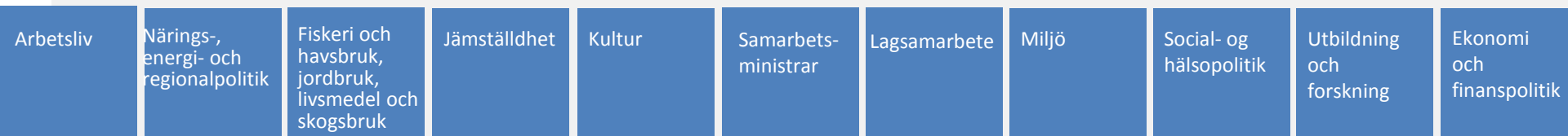
Nordiska ministerrådet består av samarbetsministrar och **10 fackministerråd (MR)** för olika sektorer. Dessa biträds i sitt arbete av 16 ämbetsmannankommittéer (ÅK).



Generalsekreteraren ansvarar för den dagliga driften av det nordiska regeringssamarbetet.

12 samnordiska institutioner och 3 baltiska kontor

Nordiska ministerrådet



Generalsekreterare Nordiska ministerrådets sekretariat



Nordic Cooperation Programme for Regional Policy and Planning 2017-2020

- TWG1: Sustainable Rural Development chaired by Patrik Johansson (SE), vice-chair Sigurdur Arnasson (IS)
- TWG2: Innovative and Resilient Regions chaired by Mikko Huuskonen (FI), vice-chair Birgitte Wohl Sem (NO)
- TWG3: Sustainable Cities and Urban Development chaired by Guro Voss Gabrielsen (NO), vice-chair Peter Moltesen (DK)

Nordic Council of Ministers

- Prime Ministers' Initiative for Nordic Solutions to Global Challenges: Nordic Sustainable Cities (2017-19)
- Nordic Cooperation Programme for Integration of Refugees and Immigrants (2017-19)
- Nordic Arctic Cooperation Programme (2015-17)
- Nordic Economic Policy Review (2017-19)
- Hallo Norden (2017-19)



Baltic Sea

- **BalticSCOPE II**- Towards coherence and cross-border solutions in Maritime Spatial Planning
- **BASMATI** - Baltic Sea Maritime Spatial Planning for Sustainable Ecosystem Services



Commissioned projects

- **Evaluations** - Ålands landsbygdsprogram
- **Framework agreement** with SWECO – DG Regio, Swedish government

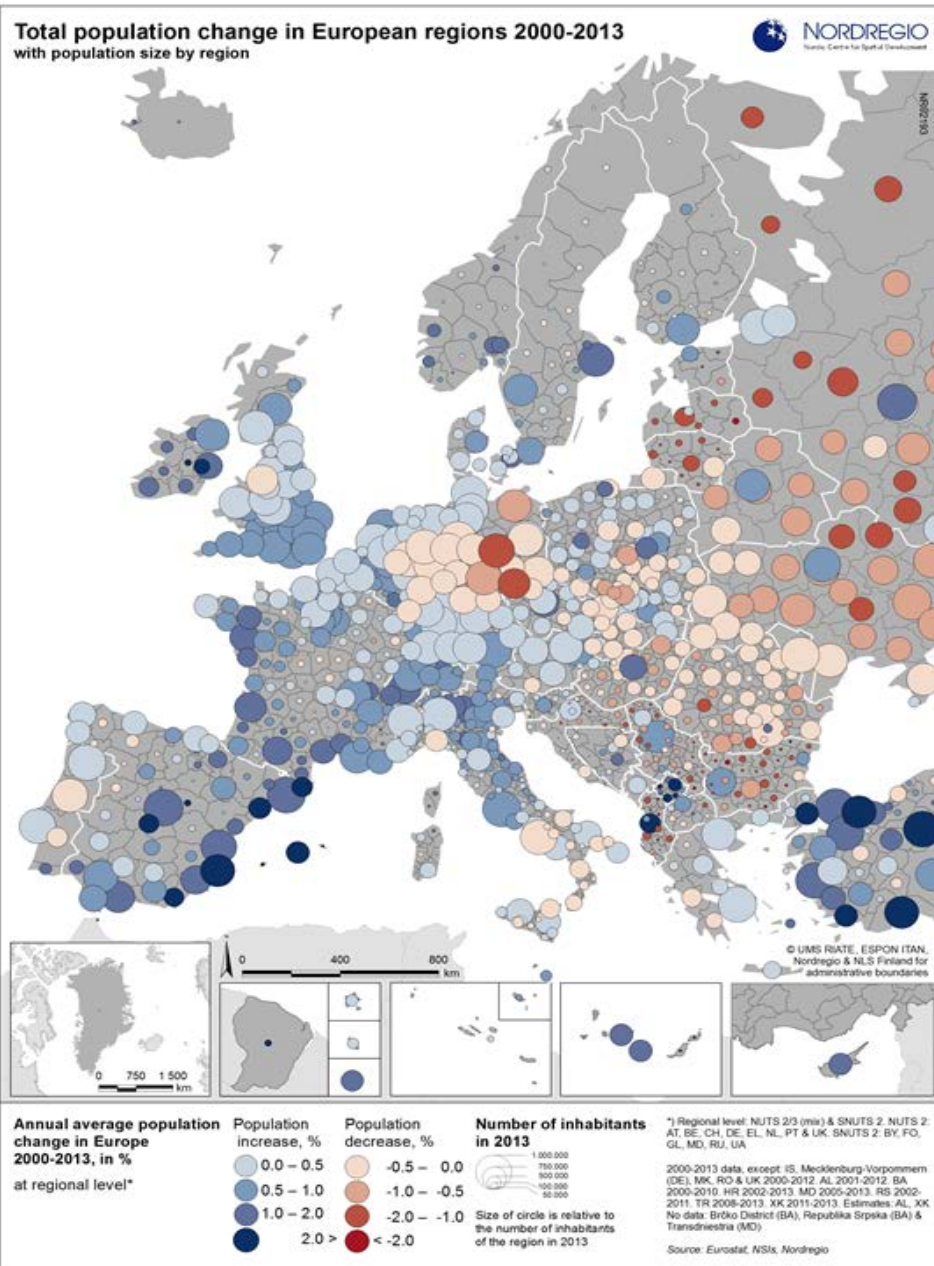


What's unique about the Nordics?

- **The Northern Light** – "The next supermodel" (The Economist, February 2013)
- The ability of the Nordic countries to combine a generous tax-funded welfare system with efficient public administration and a competitive business sector

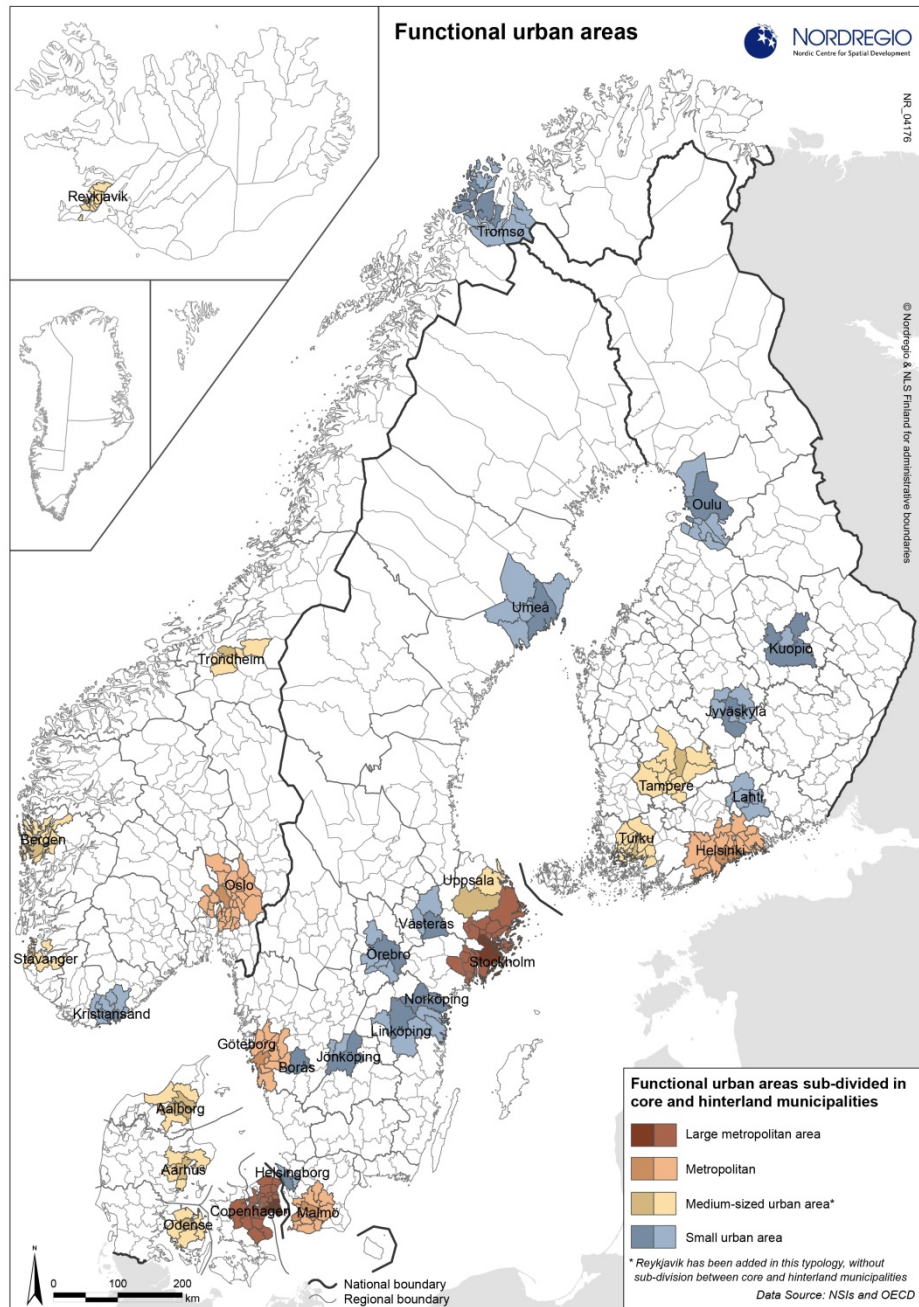


State of the Nordic Region 1997-2017



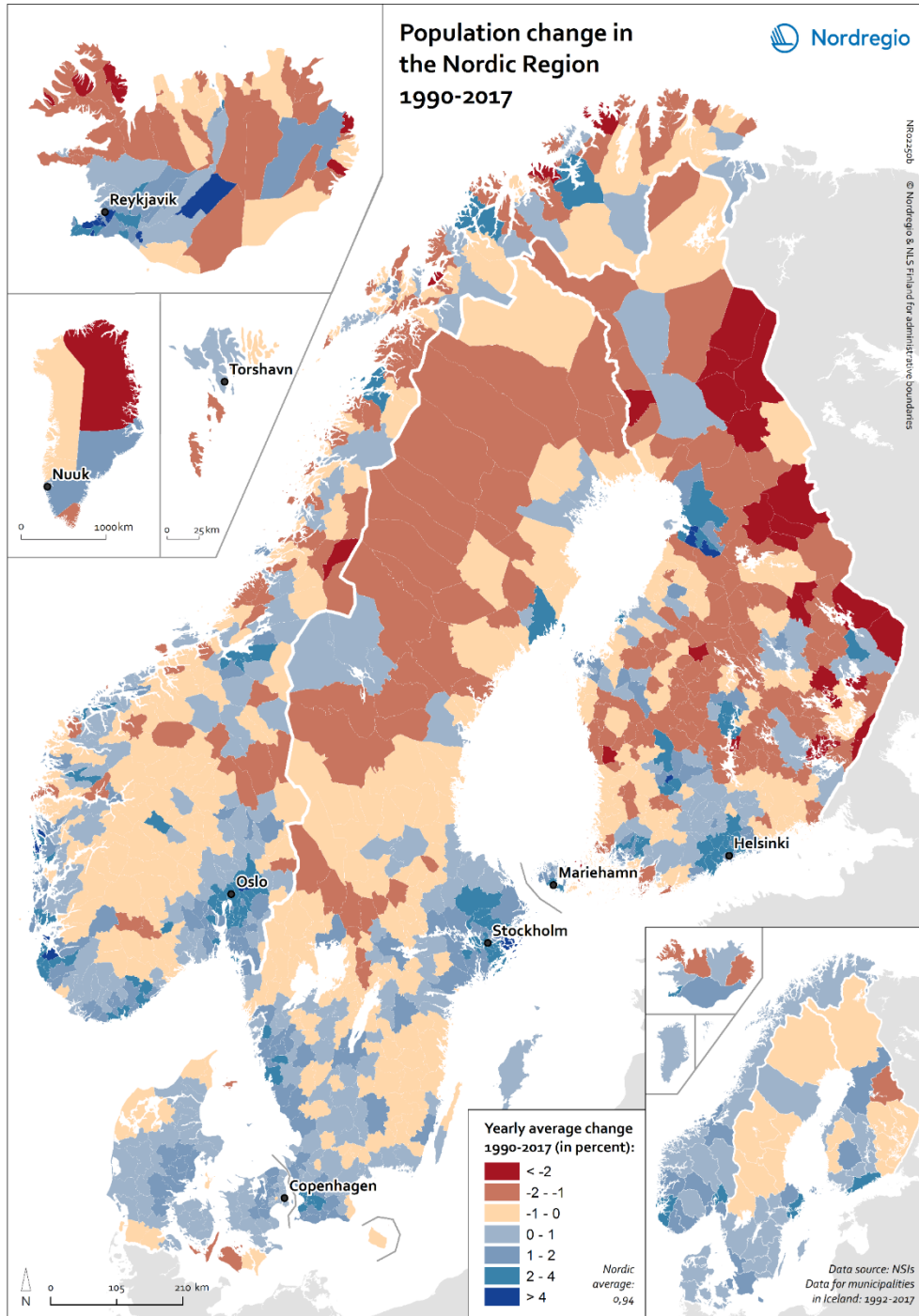
Total population change in European regions 2000-2013 with population size by region

- In Europe there is an east-west divide with many regions in especially the Baltic States, Russia, Ukraine, Bulgaria, and Romania experiencing a population decrease, while there is a population increase in many regions (especially the more populated regions) in the Western part of Europe
- However, this pattern might dissolve since there is also an east-western belt of regions with population decline in Germany, and many smaller regions in for example France and Sweden have a declining population.
- Furthermore, the Balkan countries display a more diverse pattern with some larger regions growing (see for example Albania and Macedonia) and smaller declining



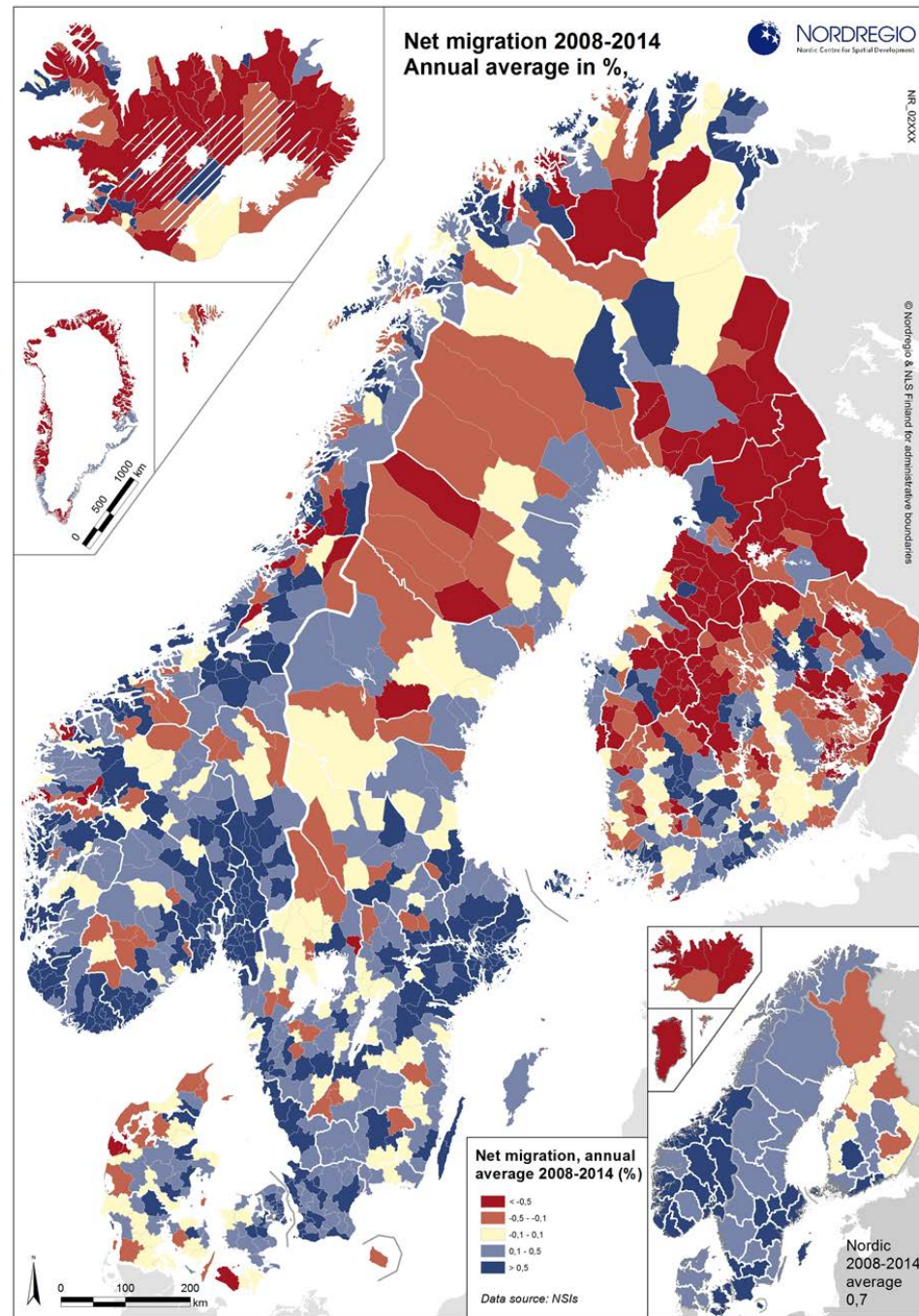
Demographic change: Challenge or opportunity

- The population of the Nordic Region has increased by 2.7 million in the past 20 years and now stands at about 26.5 million - 0.63% per year (40 % faster than EU average)
Iceland & Norway > 1 %
Sweden ~Nordic average
Denmark & Finland ~EU
Faroe Islands & Greenland 0
- Territorial unbalance: Over 97 % has been absorbed by the 30 largest Functional Urban Areas
- Net-immigration accounted for two thirds of the total Nordic population increase over the past 25 years (three quarters in Sweden, Denmark and Åland)



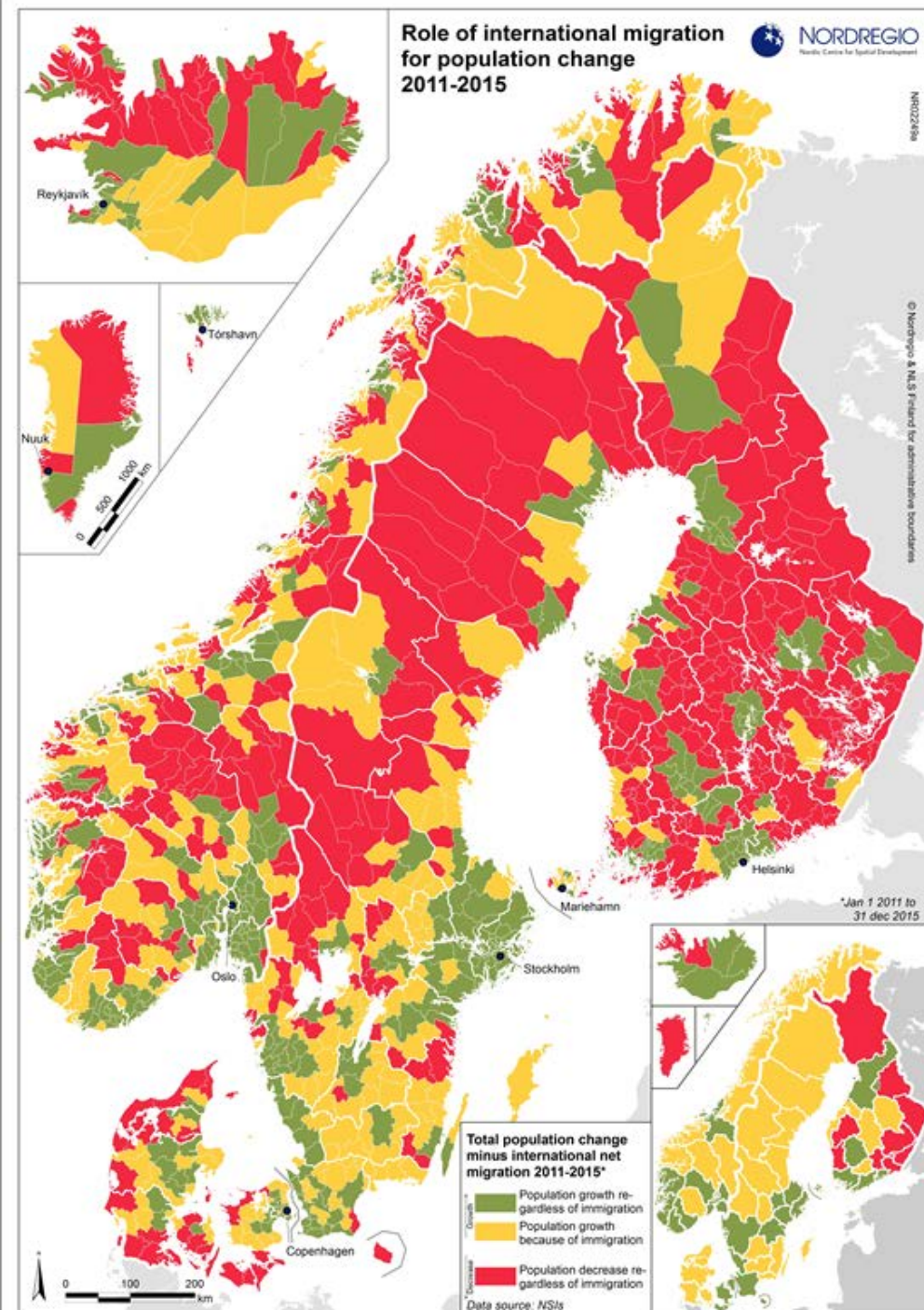
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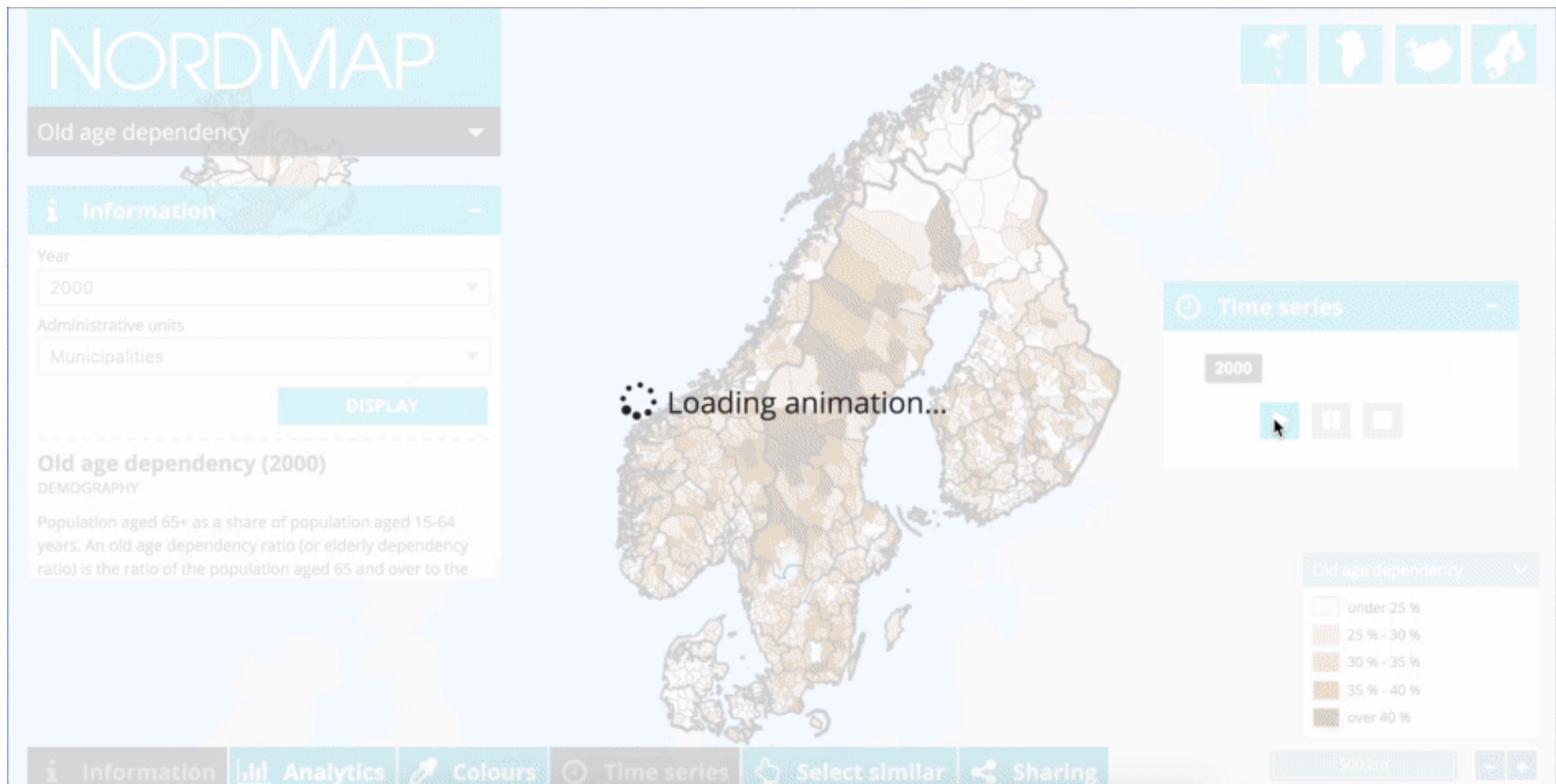
The Impact of Migration

- Net-migration: annual average changes from 2008 (start of the financial crisis) to 2014
- Nordic Region has an annual average net migration rate of 0,7% during the period 2008-2014, but the situation varies greatly between regions and municipalities
- Regional level (small map): all regions in Denmark, Norway and Sweden have surplus net in-migration (blue colour), i.e. even the most remote regions in these countries succeed to attract more inhabitants than they lose
- At the municipal level, the map shows that 416 (34%) of the Nordic municipalities would have experienced population growth even without immigration (the green areas on the map), 310 (26%) of the Nordic municipalities experienced population growth because of immigration (the yellow areas on the map) and 485 (40%) of the municipalities experienced population decrease (the red areas on the map) during the period 2011 to 2016.



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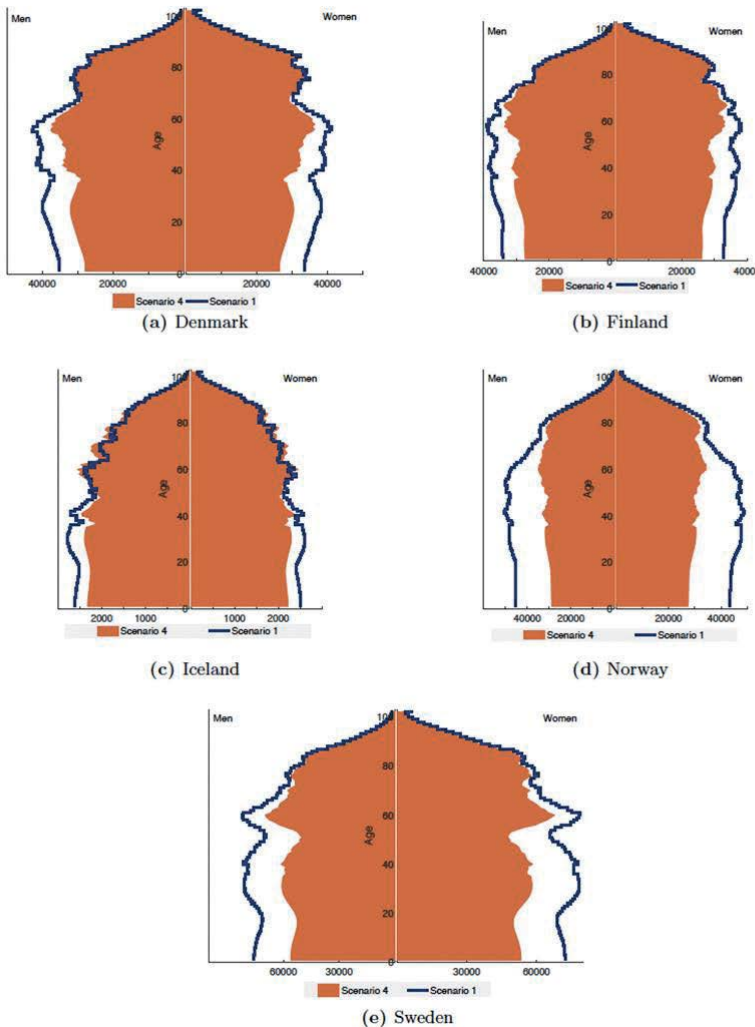
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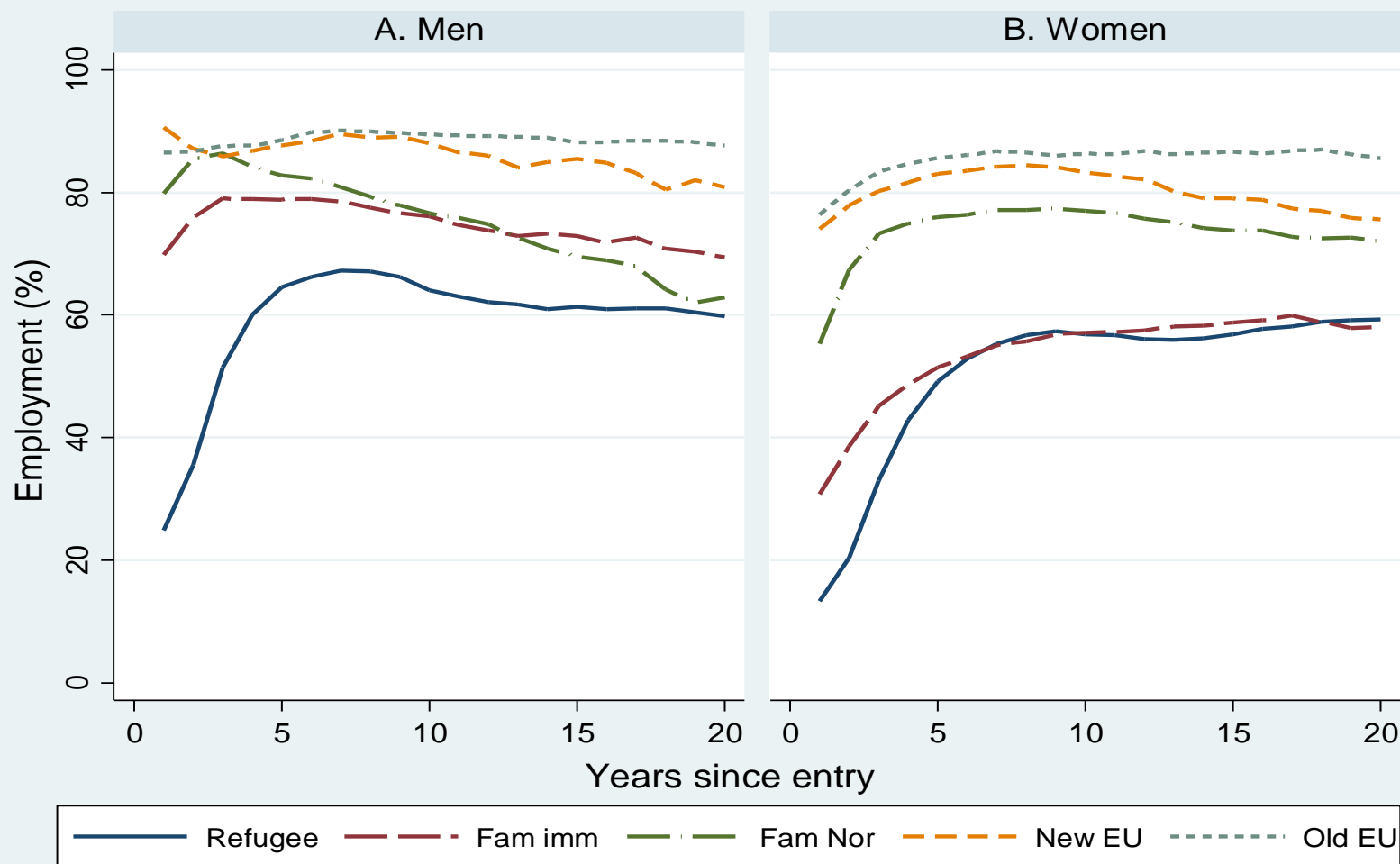
www.nordmap.se

Demographic potential or problem?

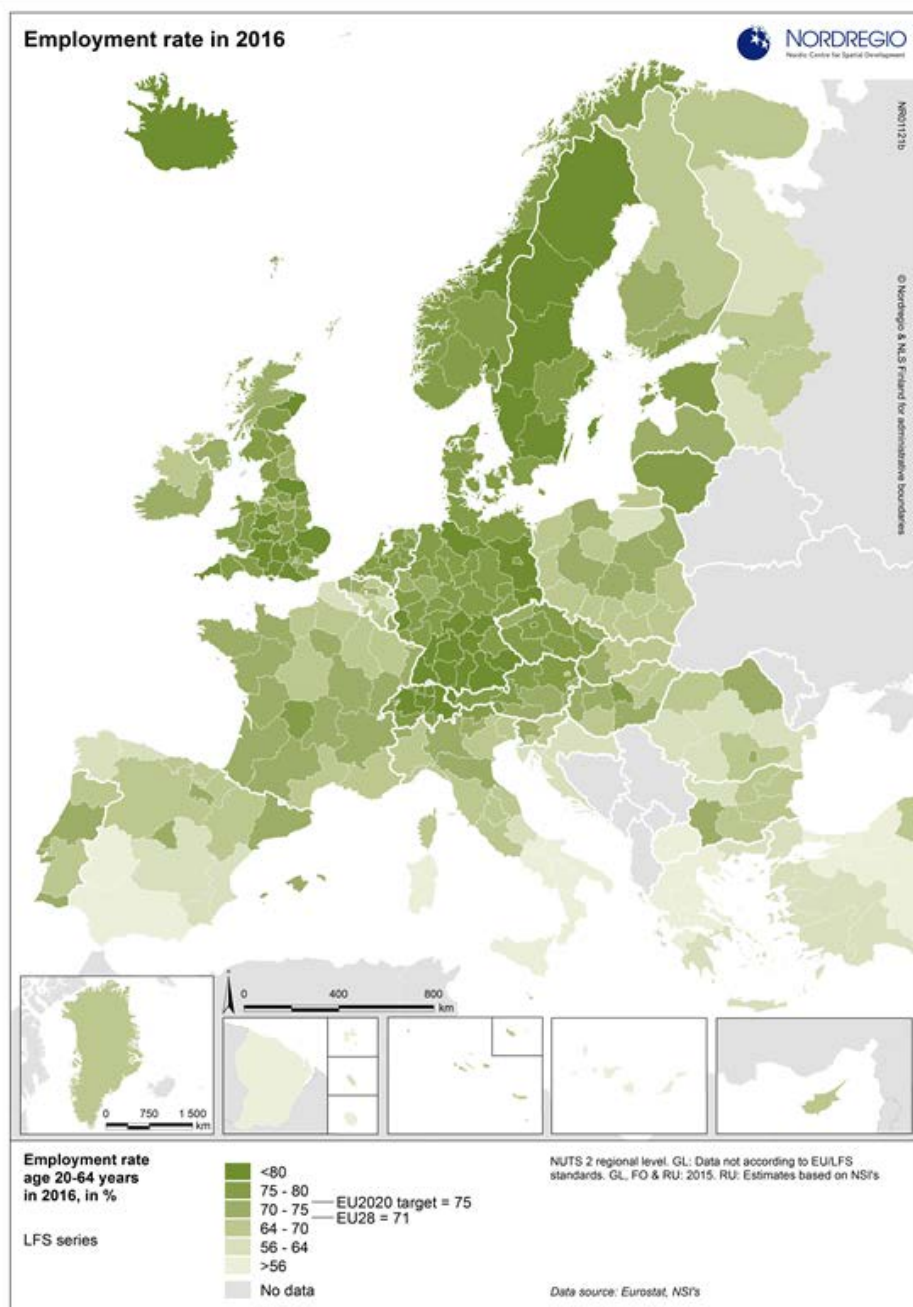
- Migration numbers necessary to keep the dependency ratio at current levels would be unrealistically high.
- While migration cannot stop the ageing process completely, it is one possible measure to boost labour forces and to slow population ageing in the short term.
- In order to fulfil these functions, it is crucial that immigrants are speedily integrated into societies and particularly into the labour market.



Employment in Norway: Share of immigrants whose main source of income is work, by gender, admission class, and years since entry

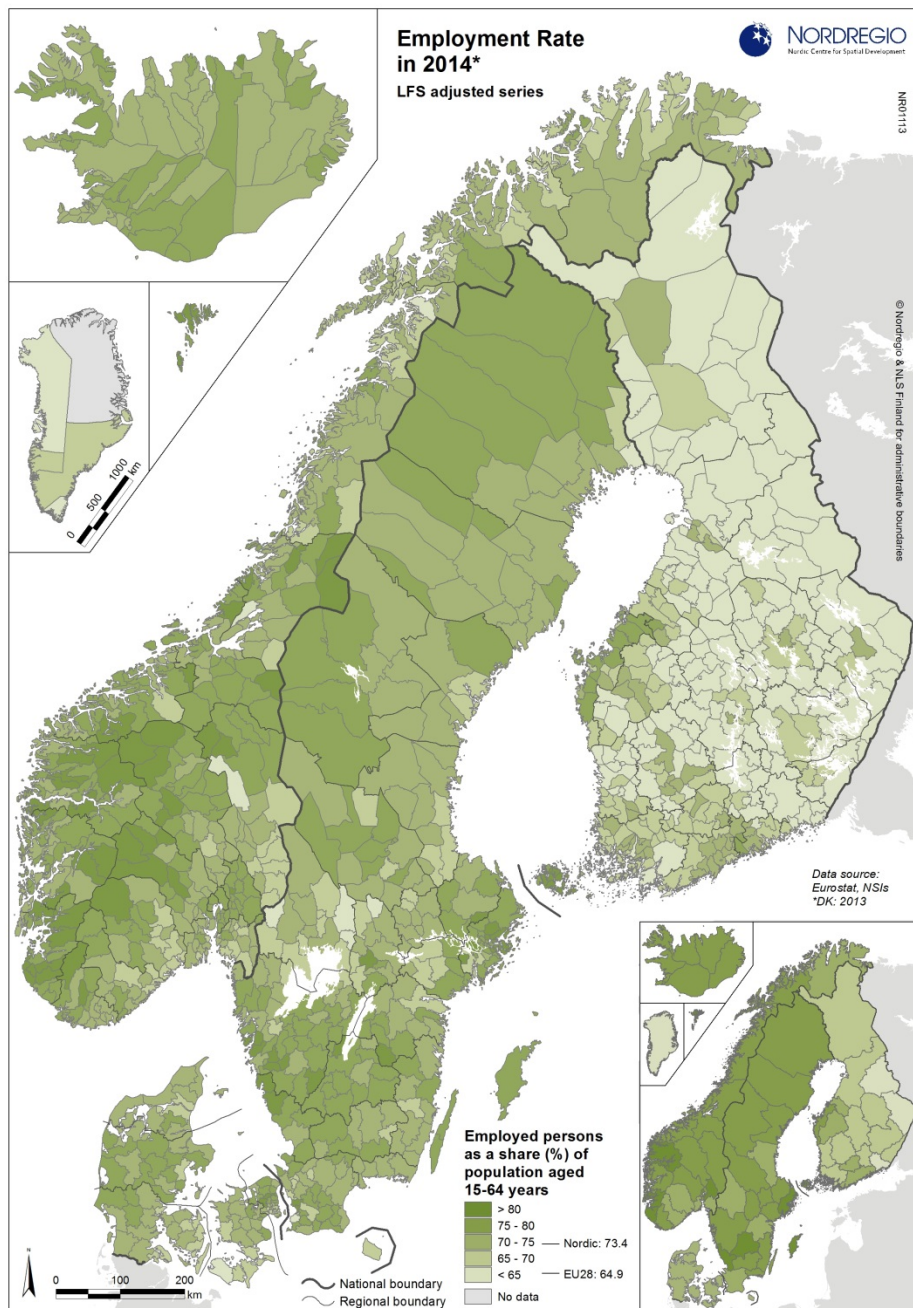


Population consists of those aged 25-66 and in Norway at end of each calendar year
(Source: Bernt Bratsberg, Oddbjørn Raaum and Knut Rød, Frisch Centre/University of Oslo)



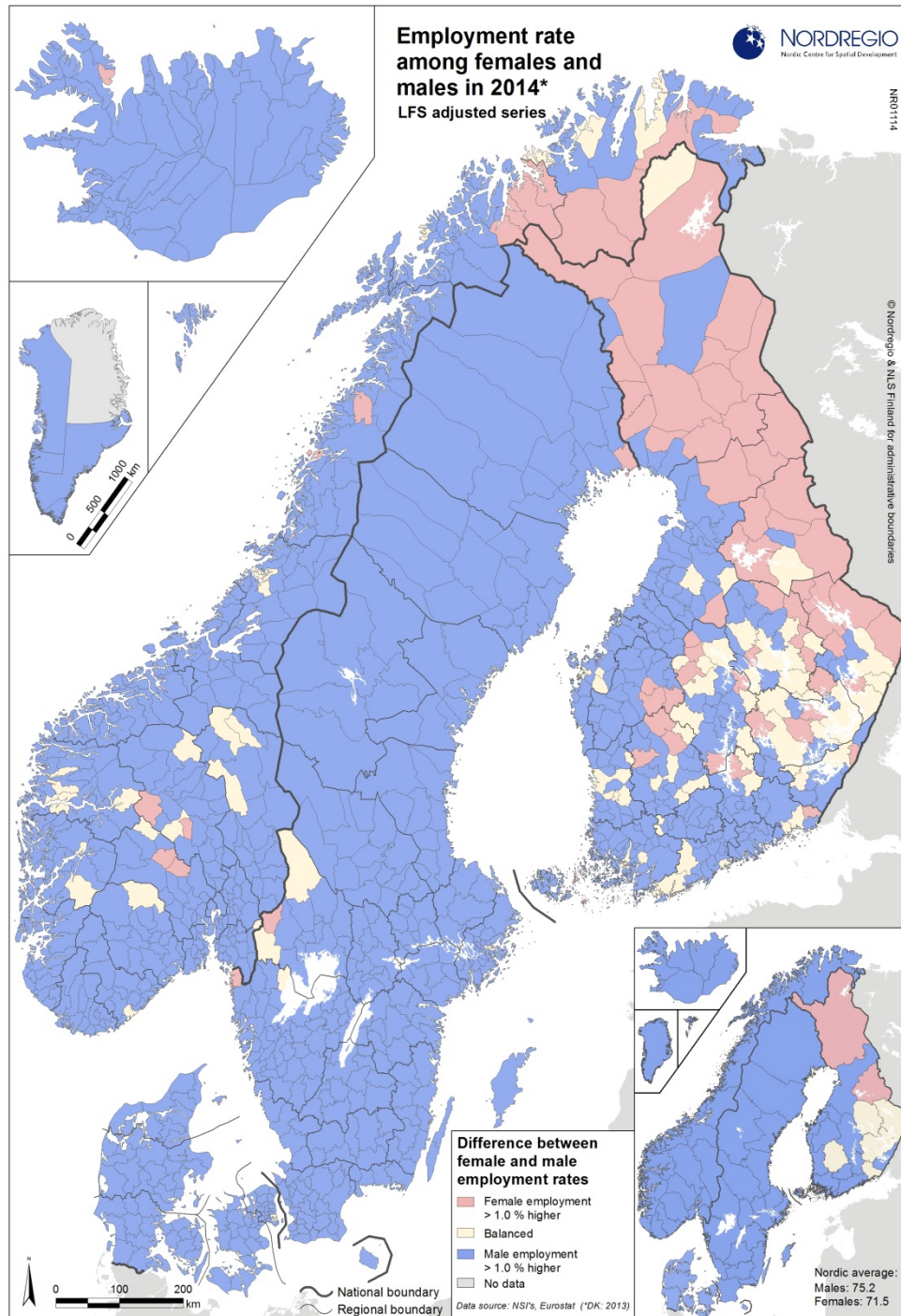
Employment

- The map shows a clear spatial pattern, with significantly lower employment rates in the southern and eastern parts of Europe than in the northern and western parts. The highest employment rates (over 85%) can be found in Faroe Islands, Åland and Iceland, as well as some regions in Switzerland. Several regions in Sweden, Germany, Norway and the UK also have employment rates over 80%. The lowest employment rates (under 55%) can be found in regions in Turkey, Italy, Greece and Spain.



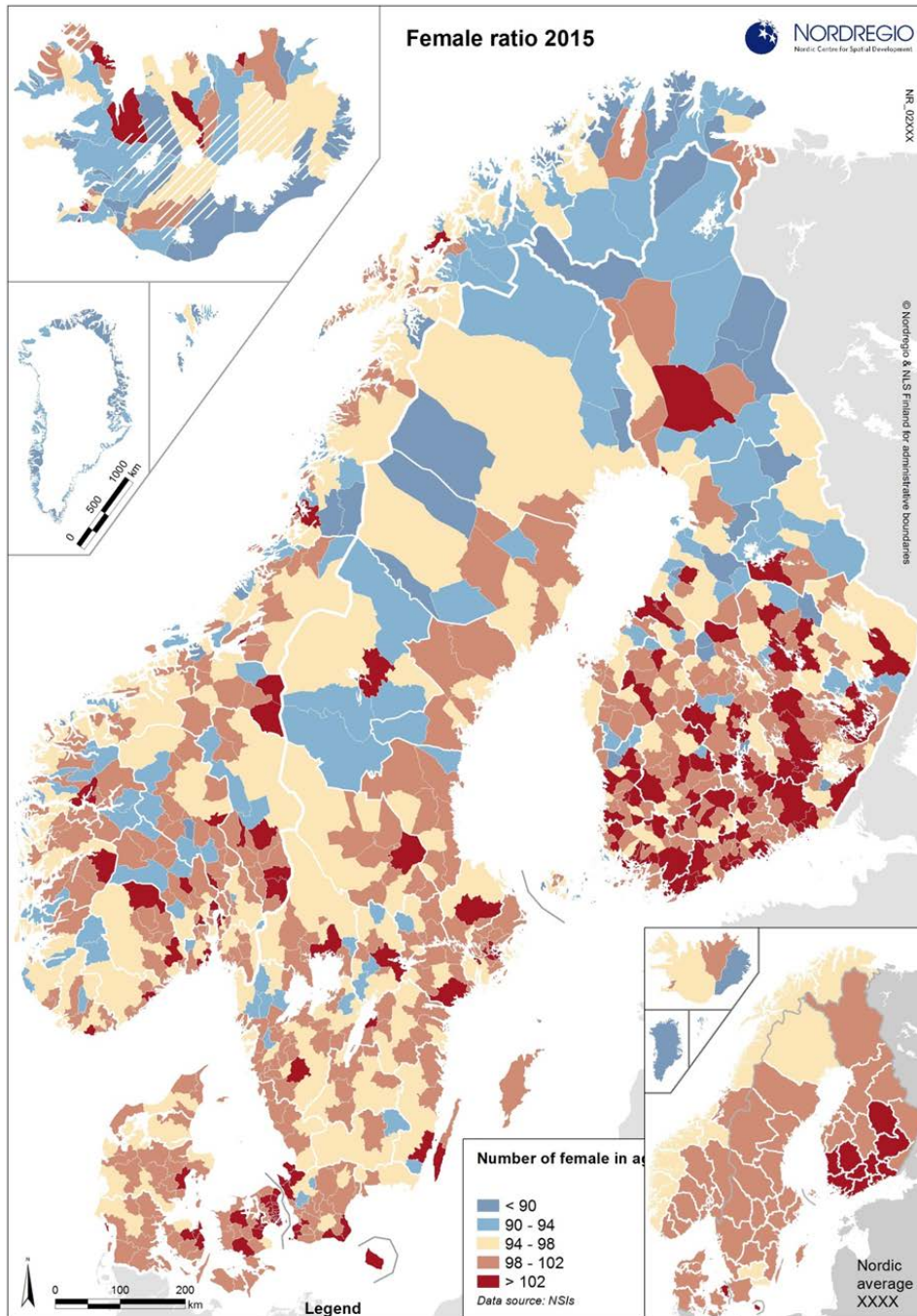
Employment

- The Nordic labour market has recovered well overall from the Global Financial Crisis, though unemployment rates are concerning in several regions of Denmark, Finland and Sweden
- The Nordic average employment rate in 2014 was 73.4 % for the population aged 15-64 years, compared to the EU average of 64.9 %
- Iceland experienced the sharpest drop following the Global Financial Crisis but is now one of the strongest performers with an employment rate well above the Nordic average
- Employment rates in the capitals and most of the bigger cities are comparable to the Nordic average with the exception of Malmö, which has an employment rate under the EU average
- Especially the rural municipalities in eastern and northern Finland have low employment rates, under EU average
- Municipalities close to Copenhagen – Allerød, Egedal, Dragør, Hørsholm have employment rates around 80 %, while Odense, Langeland, Svendborg and Nyborg in Syddanmark are among the municipalities with lowest employment rates in Denmark. (~65-69 %).



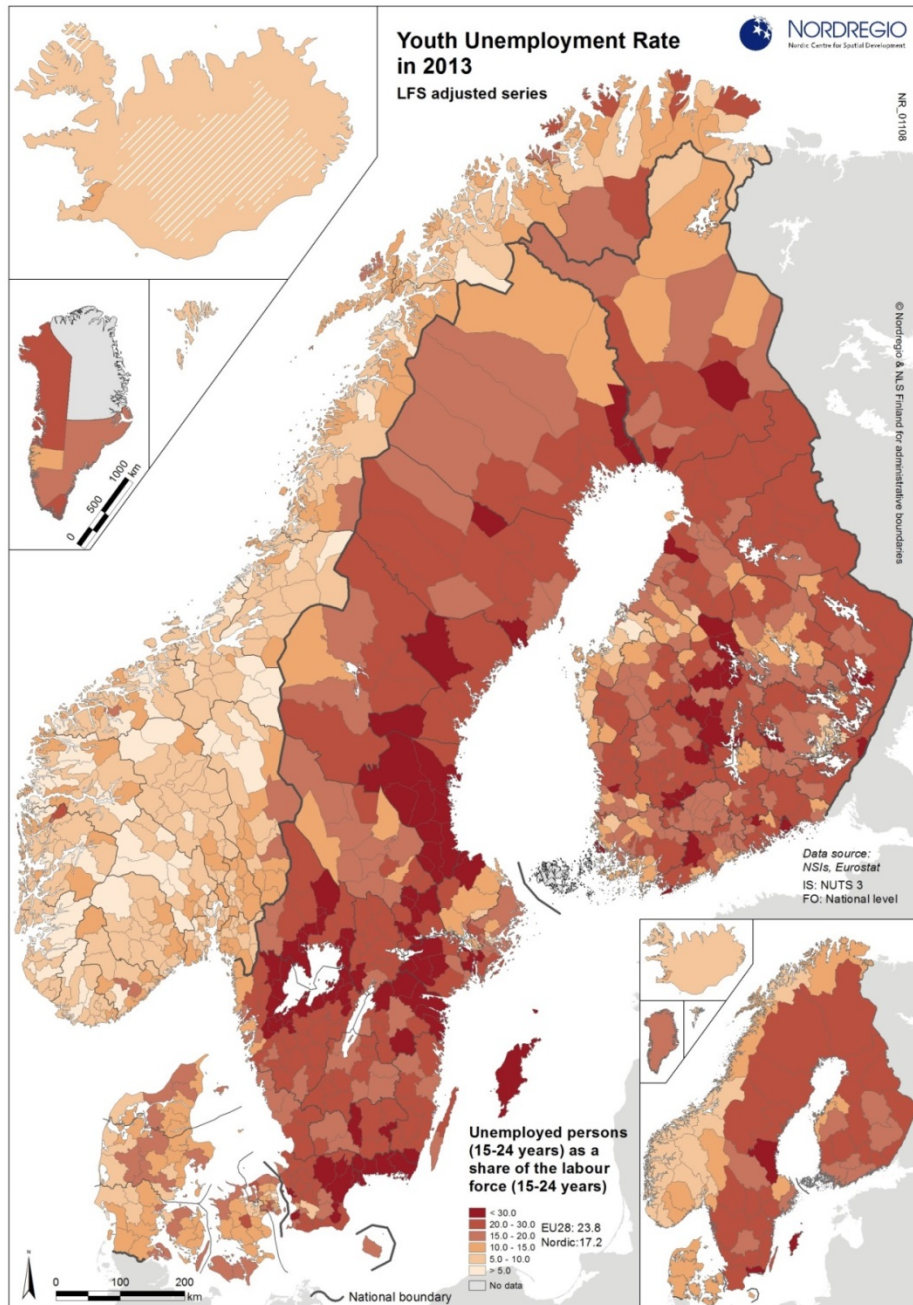
Employment among Males and Females

- Relatively high labour market participation among females in the Nordic countries is historically a trademark of the region
- In spite of this status, males remain the dominant group across the Nordic region when female and male employment rates are compared
- The Nordic average for males employment participation is 75.2% while it is 71.5% for females
- Regional variations in Finland are perhaps the most evident
- Some few smaller communities in Western part of Sweden also have higher proportion of women's employment rate than men's, **however this is probably due to the men commuting across the border to Norway for work and therefore do not occur in the national labour force statistics**



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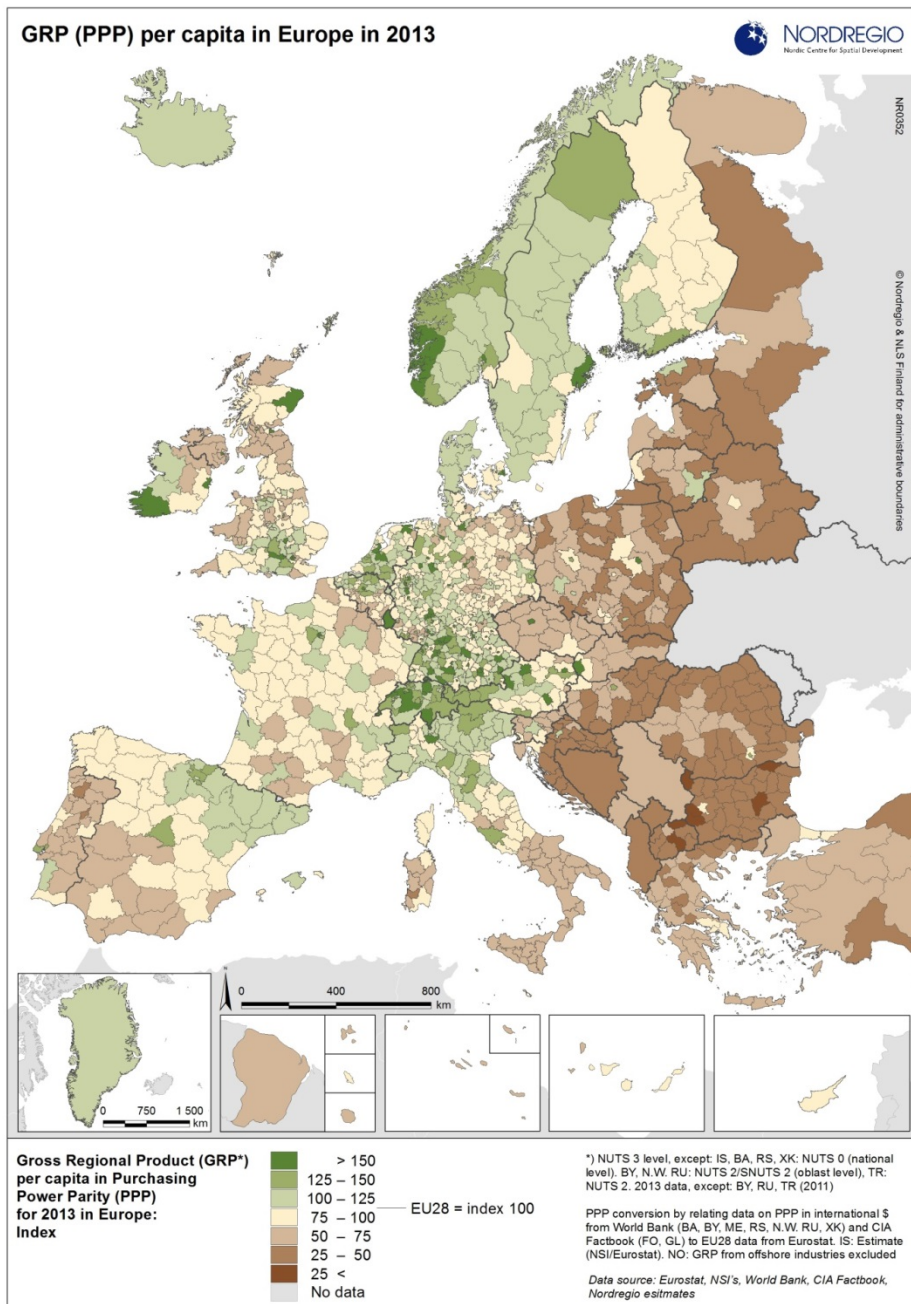
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Youth unemployment

- Youth unemployment in Norway and Iceland is strikingly low
- In particular regions (Gävleborg, Gotland, Blekinge) in Sweden have high unemployment. *One* reason for the high youth unemployment in Sweden is because the systems of apprenticeship differ between the countries
- In 2013 the highest youth unemployment in Denmark was in the different municipalities in the Capital region (on average 14,5%)
- The youth unemployment in Finland varies across regions but is high in many municipalities and in some cases exceeds the alarming levels that have been associated with Southern Europe. This applies for municipalities with higher unemployment rate than 32% and up to 45% like, Rautjärvi in South Karelia, Pyhtää in Kymmeneda, Pätäjävesi and Jämsä in Middle Finland, Orivesi and Akaa in Birkaland, Kemi and Kemijärvi in Lappland, Kustavi in Varsinais Suomi and Hanko in Nyland

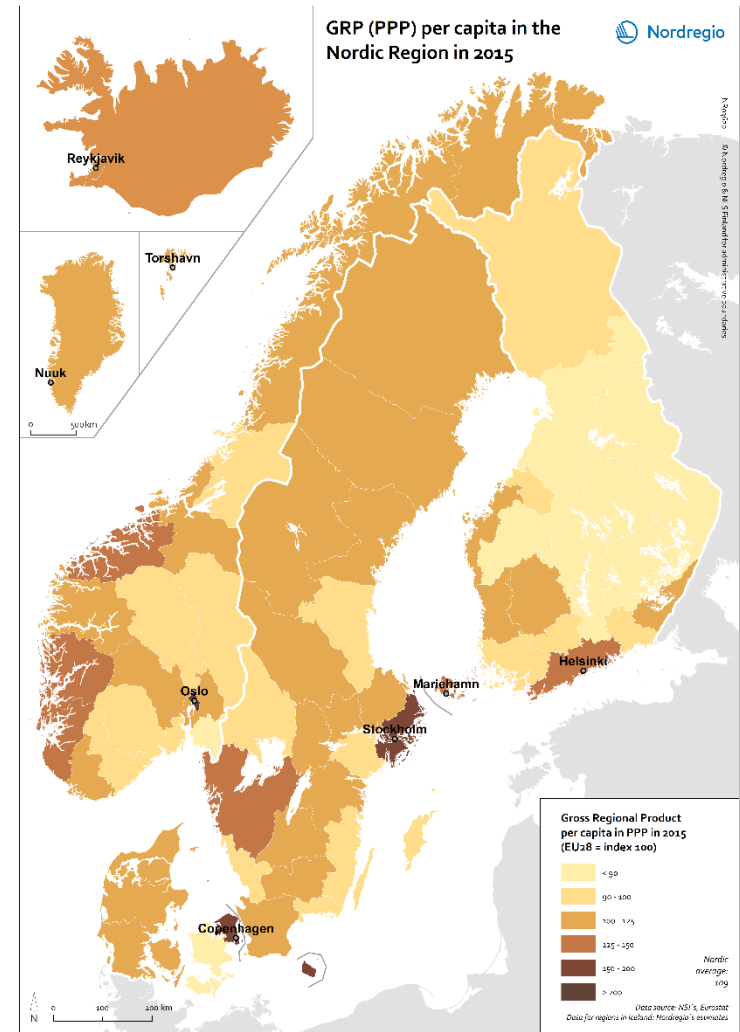
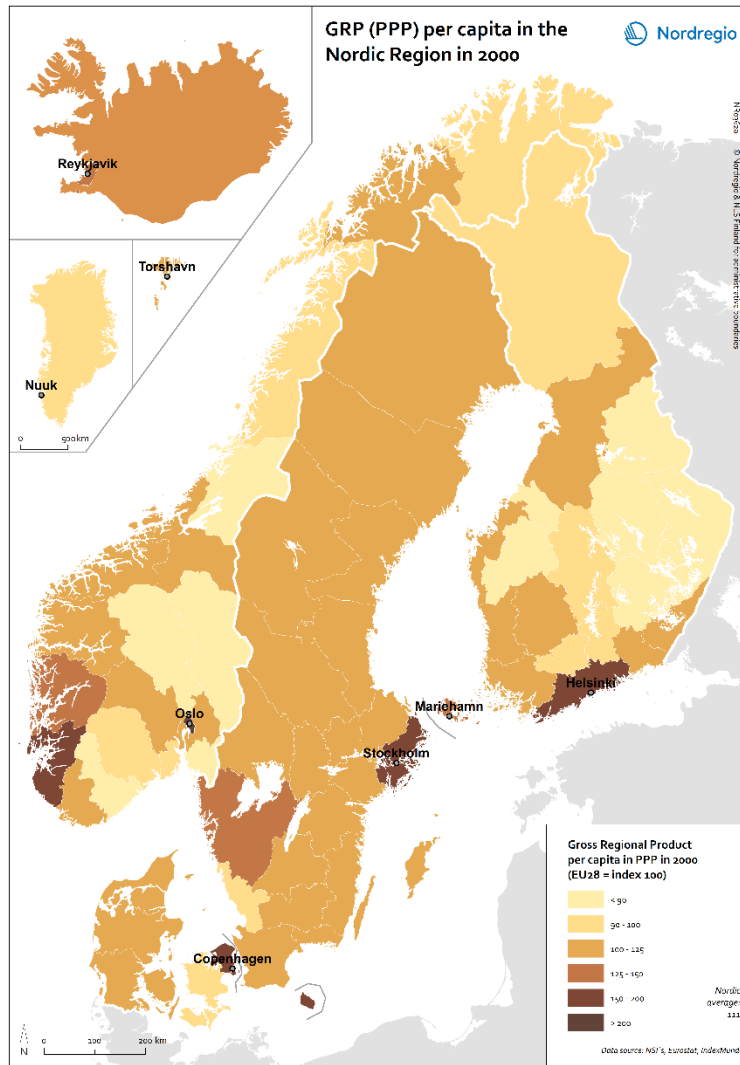
GRP (PPP) per capita in Europe in 2013



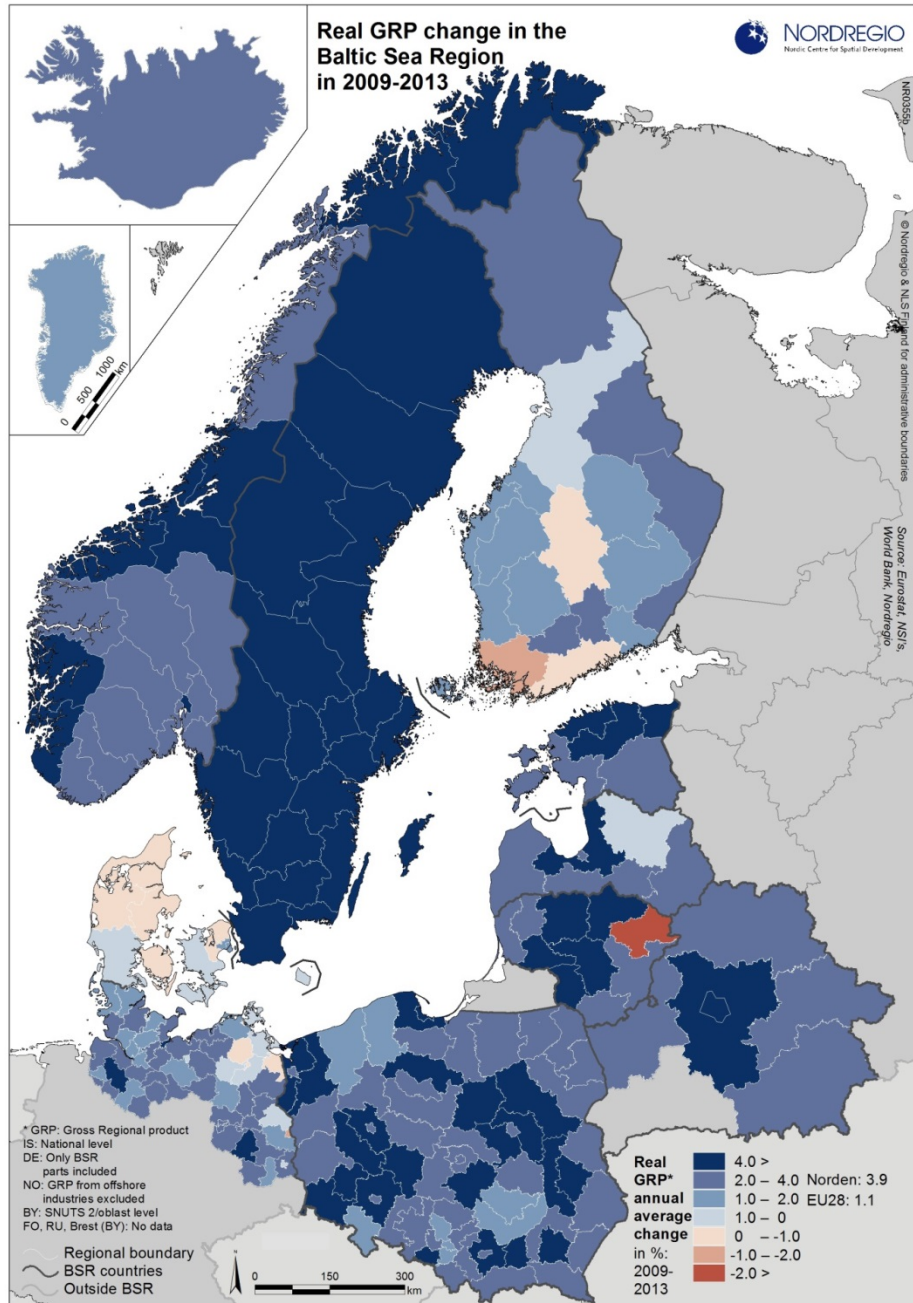
Economic performance

- Urban and capital city regions show high levels of GDP per capita, as is the well-known pattern throughout Europe
- Stockholm, Oslo, Copenhagen and western Norwegian regions are among the wealthiest in Europe
- The Swedish and Norwegian northern regions are all performing well in relation to the European average
- The economies in the top-performing small regions are usually thriving thanks to a large, single industry often highly specialised internationally: in Åland, the transport sector; in Norrbotten, mining; and in Northern Norway, oil exploitation and fisheries
- Greenland and the Faroe Islands are also above the European average (for Greenland though, Danish subsidies supply roughly 60 % government revenue and 40 % of Greenland's GDP)

GRP in 2000 and 2015 in the Nordic Region



Change in real Gross Regional Product (GRP) 2009 – 2013



- **Sweden** has seen increases in GRP for all regions of more than 4 % (but some regions suffered rather severely from low GRP in 2008 and 2009 and therefore have made great recoveries)
- In **Iceland** and **Norway** the picture is equally strong
- In **Denmark** the regions of **Nordjylland**, **Midtjylland**, **Syddanmark** and **Hovedstaden** have all suffered from an average of reduced annual GRP throughout this period
- In **Finland** the situation is even more severe in **Varsinais-Suomi** where GRP has on average decreased between 1 – 2 percent. In **Uusimaa (Helsinki)** and **Keski-Suomi** the reduction is more moderate, between 0 - 1 percent
- **Greenland** has on average seen GRP increases between 1 – 2 %, as have **Aland**

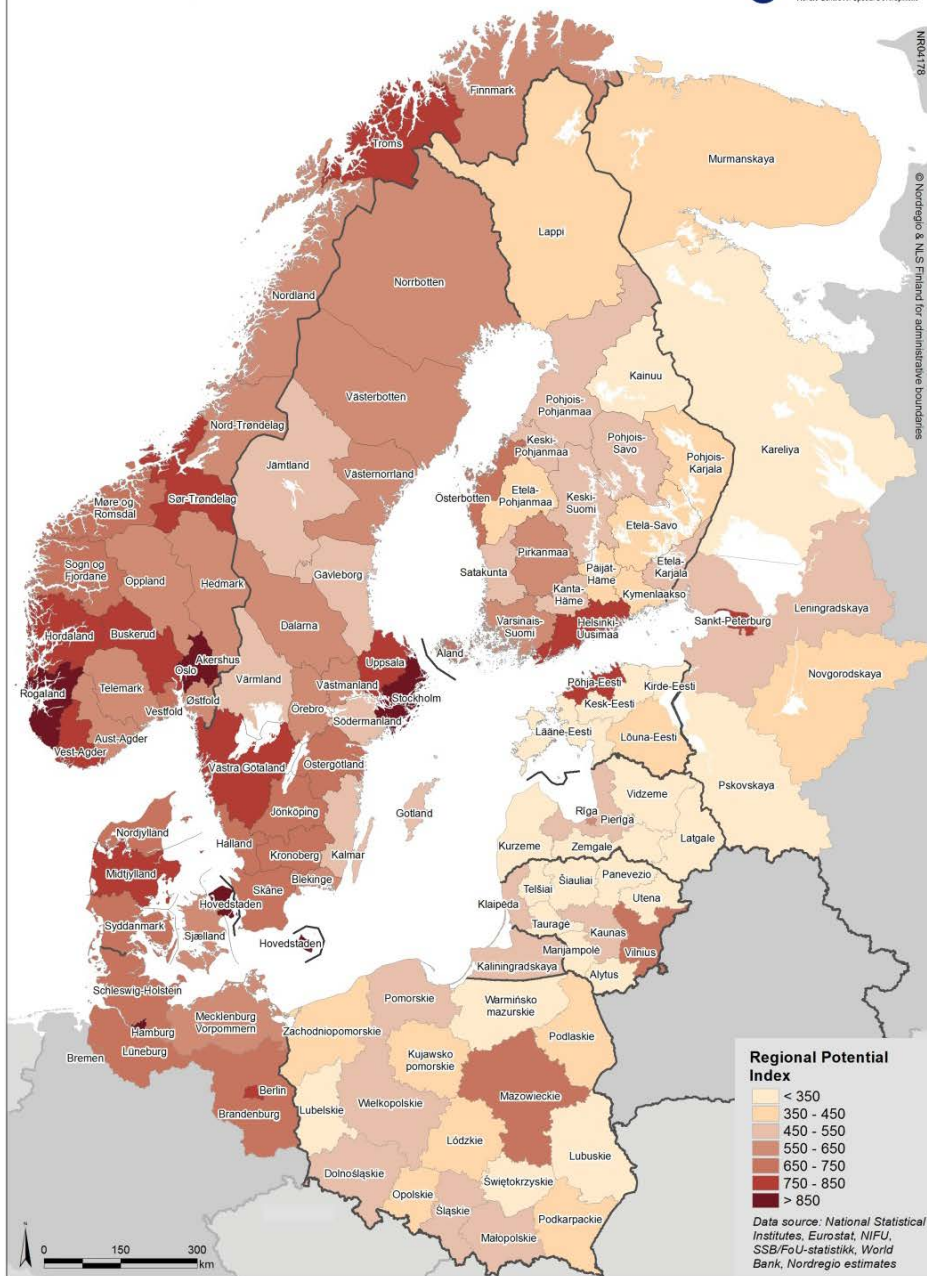
Latest data at regional level

Theme	Indicators	Points allocated
Demographic potential	Population density	7,5-75
	Net migration rate	7,5-75
	Demographic dependency rate	7,5-75
	Female ratio	7,5-75
Labour market potential	Employment rate	10-100
	Share of the age group 25-64 with high education degree	10-100
	Youth unemployment rate	10-100
Economic potential	GRP/capita	20-200
	Total R&D investments	10-100

Regional Potential Index: Top 5 in 2016

1. OSLO (3): 758
2. HOVEDSTADEN (1): 756
3. STOCKHOLM (4): 753
4. ÅKERSHUS (2): 748
5. HELSINKI-UUSIMAA (5): 738

Regional Potential Index 2015



Rank	Region	Country	Largest urban area	Overall
1	Oslo	NO	Oslo	994
2	Akershus	NO	Oslo	949
3	Stockholm	SE	Stockholm	911
4	Hovedstaden	DK	Copenhagen	893
5	Rogaland	NO	Stavanger	883
6	Hamburg	DE	Hamburg	881
7	Hordaland	NO	Bergen	849
8	Sør-Trøndelag	NO	Trondheim	845
9	Berlin	DE	Berlin	811
10	Helsinki-Uusimaa	FI	Helsinki	806

Rank Rural Typology	Rural regions	Country	Overall Rank	Overall points
1	Troms	NO	16	764
2	Møre og Romsdal	NO	20	730
3	Åland	AX	21	724
4	Österbotten	FI	24	703
5	Sogn og Fjordane	NO	28	691
6	Kronoberg	SE	31	666
7	Nordjylland	DK	32	661
8	Oppland	NO	38	638
8	Aust-Agder	NO	38	638
10	Nordland	NO	42	625



Nordregio Forum 2017

- **Nordic Cities – Connecting the Urban and the Rural**
- Main topics: urban – rural challenges and small and medium sized cities in the Nordic countries
- Key-notes: Monica von Schmalensee, Laura Kolbe, Hanna E. Marcussen, Jan Tore Sanner, Dagfinn Høybråten, Hallgeir Aalbu
- Welcome to Vulkan, Oslo, 29 – 30 November 2017

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