
COMMITTEE	Enterprise, Planning and Infrastructure
DATE	13 September 2011
DIRECTOR	Gordon McIntosh
TITLE OF REPORT	A Response to the North Sea Region 2020 Draft Document for Consultation
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1. PURPOSE OF REPORT

This report advises members on content the North Sea Region (NSR) 2020 Draft document for consultation as approved at the North Sea Commission's Annual Business Meeting on 21 June 2011 in Bruges, Belgium. It also presents the Committee with officers' proposed response to the consultation based on Council Policy.

2. RECOMMENDATION(S)

It is recommended that the Committee:

- a. approves the response, and
- b. notes that Councillor Dean is now the Chair of the North Sea Commissions Innovation & Education Group

3. FINANCIAL IMPLICATIONS

There are no direct financial implications to this report.

4. OTHER IMPLICATIONS

This consultation response aims to ensure that the NSR 2020 supports the priorities within Aberdeen City's Single Outcome Agreement. In particular the potential to anchor the oil and gas industry in Aberdeen; Diversify Aberdeen's economy, ensure high quality education opportunities, a sufficient number of skilled people, reduce carbon emissions and minimize our environmental impact. Similarly, the response supports the Vibrant Dynamic and Forward Looking initiatives in particular promoting Aberdeen as an Energy Capital, addressing the skills shortage in the city, ensuring a sustainable economy and advancing the Council's target of being carbon neutral overall by 2020. The response aims to advance the European Union's 2020 growth strategy for a smarter, sustainable and inclusive Europe along with the priorities of the Scottish Government which are most relevant to Aberdeen and the North East of Scotland.

5. BACKGROUND/MAIN ISSUES

The North Sea Commission has developed a draft document for consultation (See Appendix 1), NSR 2020 in order to address the objectives of the Europe 2020 strategy (Europe 2020). Europe 2020 puts forward **three mutually reinforcing priorities**:

- Smart growth: developing an economy based on knowledge and innovation,
- Sustainable growth: promoting a more resource efficient, greener and more competitive economy, and
- Inclusive growth: fostering a high-employment economy delivering social and territorial cohesion.

These priorities are achieved through 7 **'Flag ship initiatives'**:-

- i. "Innovation Union" to improve framework conditions and access to finance for research and innovation so as to ensure that innovative ideas can be turned into products and services that create growth and jobs.
- ii. "Youth on the move" to enhance the performance of education systems and to facilitate the entry of young people to the labour market.
- iii. "A digital agenda for Europe" to speed up the roll-out of high-speed internet and reap the benefits of a digital single market for households and companies.
- iv. "Resource efficient Europe" to help decouple economic growth from the use of resources, support the shift towards a low carbon economy, increase the use of renewable energy sources, modernise our transport sector and promote energy efficiency.
- v. "An industrial policy for the globalisation era" to improve the business environment, notably for Small and Medium-sized Enterprises, and to support the development of a strong and sustainable industrial base able to compete globally.
- vi. "An agenda for new skills and jobs" to modernise labour markets and empower people by developing their skills throughout the lifecycle with a view to increase labour participation and better match labour supply and demand, including through labour mobility.
- vii. "European platform against poverty" to ensure social and territorial cohesion such that the benefits of growth and jobs are widely shared and people experiencing poverty and social exclusion are enabled to live in dignity and take an active part in society.

5.1 Aberdeen City Council's priorities

The current Administration Policy aims for Aberdeen to be a vibrant, dynamic and forward looking city. 'An even better place to live and work, where people can expect high quality services that meet their needs'.

Aberdeen City Council's Strategic priorities

The Council's 5 year business plan 2011 -2016 encapsulates the council's priorities. They are:-

1. Provide for the needs of the most vulnerable people
2. Help to ensure that all schoolchildren reach their potential
3. Manage our waste better and increase recycling
4. Encourage the building of new affordable housing
5. Ensure a sustainable economic future for the city
6. Ensure efficient and effective delivery of services by the council and with its partners.

Delivering these strategic priorities

In order to deliver these priorities the Council says it will:

- Make best use of the financial resources available to us, ensuring best value for the public purse;
- Have a flexible, skilled and motivated workforce;
- Listen to, and be responsive to, our customers, shaping our services around their needs and focusing our resources where they are most needed; and
- Work closely with our partners, including local communities, to deliver a single set of outcomes for all the citizens of Aberdeen.

The Council's action and financial plans, included in its business plan, are built on the delivery of these priorities, and it will measure its performance in terms of the success in achievement.

5.2 Since 2002 this Council has taken positive steps to reduce the impact of Climate Change and to progress Local Agenda 21 through a range of sustainability strategies and policies. This commitment is ongoing with Elected Members approving on 24 May 2011 Securing the Benefits from the Next Energy Revolution Policy Statement. The policy statement also aims to ensure the legacy from a low carbon economy must be real, sustainable and socially inclusive.

5.3 A sustainable low carbon economy is founded on the right mix of access to education and opportunities to green jobs available at the right time. The Council aims to enable and support the industries required to keep Aberdeen in the forefront of the energy sector.

5.4 The Council will work collaboratively to ensure that the city is well placed to build on its existing credentials to enable green jobs in the city and region.

6. NSR 2020

6.1 The main factors of the consultations

- The NSR 2020 sets out a strategy how the NSR will meet the objectives of EU2020 to contribute in order to contribute to smart, sustainable and inclusive growth for Europe. It is aimed to be a common strategy to further develop co-operation efforts, ideas

- and needs in the NSR. It is designed to ensure that the NSR remains competitive and further develops as a sustainable, attractive region and an engine for growth. The document focuses on the marine environment as this is an area of opportunity for economic, environmental and social inclusion
- Five priority areas have been identified with promoting innovation, sustainable development and excellence as the running horizontal priority. The identified priority areas are:-
 - Managing Maritime space- the need for marine spatial planning, exploitation of marine resources by addressing the Common Fisheries Policy to form a North Sea maritime stakeholder forum organised by interested stakeholders to bring forward proposals for Marine protected areas and other marine reforms.
 - Increasing accessibility and clean transport- Focussing on promoting the development of multimodal transport corridors and facilitate modal shift from road to sea, Optimising the performance of multimodal logistic chains; consider clean transport by shortening the logistical chains and introducing clean alternative fuels to reduce greenhouse gases to lower transport emissions, and clean shipping in order to reduce sulphur levels by applying Annex VI of the International Maritime Organisation's MARPOL¹
 - Tackling climate change –promote strategies which increase the resilience of other policies to ensure Climate change adaptation, promote new innovations in low carbon technology & energy efficiency (green technologies) through collaborations including the private sector, collaborate in renewable energy and the North Sea energy grid.
 - Attractive and sustainable communities- to work collaboratively in the competitiveness of sectors and enterprises in new areas and culture and tourism, respond to the demographic changes that are likely to increase by 2020 in an aging population and migration. In order to respond to this, the NSR aims to, capitalise on developing the maritime sector to promote 'blue growth'² in the development of skills and employability.

 - The NSR 2020 requires the development of an action plan which identifies funding needs, sources and bodies responsible for the implementation. The action plan must address the prioritisation and ranking. It will also require specific targets. At the heart of the implementation needs to be cooperation with organisations such as the International Local Authorities Environmental Organisation (KIMO International), North Sea Regional Advisory Council (NSRAC) and OSPAR³. It also identifies the Interreg IVB North Sea Programme (2014-2020) as an important funding

¹ Maritime Pollution

² A European Term meaning to focus on economic growth in the ocean environment.

³ Convention for the Protection of the Marine Environment of the North-East Atlantic

- source. The document proposes that a 'North Sea Maritime Stakeholder Forum' is established as a governance mechanism with supporting thematic forums.
- NSR 2020 aims to strengthen the policies and legislation implementation by providing political support to current initiatives in order to raise their visibility

6.1 The proposed response

It is noteworthy that when this document was agreed by the North Sea Commission that this was prior to the recent financial pressure with the European austerity measures for member states and the global impact of the 'Double Dip' recession in the United States. It is with these additional facts and based off the Council's, Scottish and EU2020 priorities that this response is prepared.

- The NSR 2020 would benefit from aligning itself closer to the EU2020 3 priorities of a smarter, sustainable and inclusive Europe and the 7 Flagship Initiatives. This would make it clearer as to how the 4 NSR Priority strategic areas will advance EU2020 and demonstrate the alignments to the Flagship Initiatives. This would also make the development of an NSR 2020 Action Plan easier to achieve.
- Priority Area Managing Maritime Space- Many member states already have national legislation and policies regarding the management of marine spatial planning. This element would benefit by acknowledging this fact and considering mechanisms for joint trans-national working. It is suggested that instead of calling the priority focus Exploitation of marine resources, it is called Stewardship of marine resources. This gives a more positive approach to how the NSR considers its marine resources and assuming a collaborative approach rather than a positional approach. This section would also benefit by informing the reader as to the benefits of a North Sea Maritime Stakeholder Forum.
- Priority Area 2 Increasing Accessibility and Clean Transport – In promoting development of multimodal transport corridors it excludes air transport yet cargo is also sent by airfreight. If air freight is excluded it would be helpful for the reader to understand why as Logistical chains will include air freight for many of the products developed and taken to market. This section, as with Priority 1, is heavily focused on the marine and land environments. It would be good to see how it compliments with OSPAR and KIMO International work. Shipping and road transport are well established in industry and this paper addresses the environmental side somewhat but it would benefit in demonstrating how this priority will improve the NSR's competitiveness and social inclusiveness.

- Priority 3 Climate Change This section is environmentally robust but would benefit in specifically saying how it contributes to Europe's competitiveness and social inclusiveness. In addition to this, the section would be stronger if it elaborated how this contributes to the resilience of the NSR especially in the form of Green Infrastructure.
- Priority 4 Attractive and Sustainable Communities this priority focuses on the Maritime sector as an area to contribute to sustainable economic growth this is an opportunity worthy of consideration. Another opportunity is in the area of renewables which is also an area identified by EU2020 as an area of sustainable economic growth. The NSR is renowned for its expertise of engineering in deep and hostile waters in the Oil and Gas sector. Such skills and infrastructure can be transferable to marine renewables. It would be of benefit to consider this aspect. The area that may be advantageous to consider is the need for the NSR to attract investment in order to attract skilled people whilst retaining and developing its people. It is noteworthy that recent research reveals that skilled people tend to be attracted to place rather than job.
- The horizontal priority- Promoting Innovation, Sustainable Development and Excellence. This is very interesting and will benefit from expressing how this can contribute to enabling communities and specifically in job creation. While considering the current global economic situation it would be helpful to state how this will make a collaborative Europe within member states and a globally competitive Europe.
- Implementation, cooperation and coordination- This is an ambitious implementation plan which will require a commitment, resource and effort from the members within the NSR. In the current economic climate this plan would need to be affordable and advance the region's economic and social competitiveness.

7. Response to the consultation

As this is a response to a consultation neither an Equalities Human Rights Impact Assessment nor a Strategic Environmental Assessment is required for this Policy Statement.

7. BACKGROUND PAPERS

Securing the Benefits of Scotland's Next Energy Revolution on 29 November 2010

Scotland's Low Carbon Economy Strategy

UK Climate Change (Scotland) Act 2009

The European 2020 Strategy

Aberdeen City Council Business Plan 2011-2016 (February 2011)

Aberdeen City Council's The Aalborg Commitments Report 2006,
<http://www.aberdeencity.gov.uk/nmsruntime/saveasdialog.asp?IID=7385&sID=3795>

9. REPORT AUTHOR DETAILS

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