

## **Report to Partnership Meeting 23 August 2013**

### **EUROPEAN PROJECTS**

#### **SPARA 2020**

##### **PURPOSE OF REPORT**

To inform Member of the background to the SPARA 2020 INTERREG IVB Northern Periphery Programme SPARA 2020 project that has secured funding from NPP's preparatory fund.

##### **NPP PREPARATORY ROUND PROJECT – SPARA 2020**

Peripheral and Remote Airports face a range of very special challenges that the SPARA 2020 project endeavours to address. These airports are usually loss-making and subject to low traffic volumes, which often have a strong seasonal component. The cost of safe and regulatory compliant airports continues to climb with practices and procedures developed that often have to also cover major airports with very different sets of challenges, largely centering around significant congestion and environmental impacts. NPP peripheral and remote airports have the additional challenge of changeable and extreme weather, low temperatures and challenging terrain. All remote and peripheral communities recognise that transport connectivity is critical for their wellbeing and future viability. Public funds are usually additionally required to support and maintain airport infrastructure in such areas. Indeed many of the air services are also subsidised under EU Public Service Obligation framework.

Sustaining, future proofing and delivering community and regional resilience and connectivity with medium term, proactive responses to the special challenges of, and threats to, remote and peripheral airports/aviation is the aim of this project.

The NPP is home to a range of world class airport and transport specialists that make it an ideal setting as the laboratory for the advances envisaged in this project. The NPP area is well placed to pioneer innovative airport solutions to both better serve NPP communities, and to minimise the requisite public support in these times of austerity.

A range of NPP organisations potentially have an interest in our project. The NPP countries each have large airport management groups such as HIAL, Avinor, Swedavia, Finavia and Isavia as well as many small independent remote and peripheral airports. Air operators such as Loganair and Wideroe are specialists in remote region aviation and Norway, Scotland and Iceland have extensive PSO networks, and Finland and Ireland also use this air route support tool. The transport authorities in the NPP countries also have considerable expertise and interest in these matters – HITRANS and Trafikverket being two, although there are other comparable transport authorities in each of the partner countries.

The challenges of remote and peripheral aviation underline the potential for peer to peer learning within the NPP area, but also great scope for any improved product and service transfers to other analogous regions, such as Baltic Sea Region and the Atlantic margin. Each NPP region has developed particular specialisms that will be of interest to other regions.

Variations in geography, history, public policy evolution and wealth have created divergences that permit good learning opportunities between NPP partners.

In national policy development systems most policies and initiatives have been generated by metropolitan centric organisations. This project is innovative in facilitating the ability of remote and peripheral practitioners to better join forces in an effort produce new peripheral-centric solutions, which can be transformative in changing the remote regions habit of following the agenda, guidelines and regulations developed in the centre.

The project intends to maximise revenues, significantly control costs, increase self sufficiency and resilience, and create a forum for raising standards and improved interactions with each other, with common challenges, with suppliers, and with regulators and government transport policy planners

Products and Services to be Investigated / Developed:

- Low Cost High Tech NPP Airport 2020 template to better underpin remote airports (more below)
- New trans NPP ICT systems and content to increase patronage. Development of business models i.e. to provide user friendly multi-modal and cross border user Information Systems; using novel ICT solutions.
- Reduce perceived complexity, distance and cost of visiting NPP using advanced information systems and build upon neighbouring Baltic Bird route development tool kits.
- Remote airports as part of smart energy systems. Audits and trials for various sustainable airport related energy systems. We are aware of the and wish to work in accord with the Clean sky initiatives.
- Improved cooperation on joint specification and procurement of next generation of smaller airport equipment and infrastructure – fire engines, snow clearing, modular buildings, NAV Aids. We are conscious of the Cesar initiative paving the way for the single European sky.
- New CPD courses and distributed learning practices to support the induction, training and CPD of frontline and technical staff, and transport management and practitioners. The output will counter distance, remoteness, lack of peer interaction and costs of staff travel to centralised training centres.
- Infrastructure finance systems for remote region airports – Comparative review of current NPP funding models and output ensuring future EU State Aid Compliance and new sources of funding linking small transport projects with big finance.
- Enduring collaboration produced that will outlive the project and will speed the promotion and adoption of best practice within NPP and neighbouring areas and also articulating the special needs of the region's transport systems to suppliers, and public and regulatory authorities.

The main project objective is to refine and prioritise the various options (above) and maximise the participation (and beneficiaries) of the following main project. The partnership aims to be a collaboration between transport authorities, small NPP airports and larger airport groupings, suitable private companies (such as air operators) and relevant academic institutions. The different work packages of the collaboration will have a key partner lead, who will confer and refine their thread to seek wide appeal across region and also highly further refine and prioritise popular, pertinent aims and outputs.

## PROJECT COSTS AND FINANCING

The total work value of this preparatory project is expected to amount to €42,986. This includes partner match funding of €22,868 and NPP ERDF funds of €20,118.

HITRANS share of projects costs will require a budget allocation of €5,000. This may not be fully drawn down from new budget as staff costs and related in kind expenditure can be used to offset our share of costs. In budgeting for the project the full expenditure has been identified within the Business Plan Research and Strategy Development expenditure to support EU project development.

The full project budget is reproduced as Appendix A to this report.

## Recommendations

Members are asked to:-

1. Note the report.
2. Approve the allocation of €5,000 from the Business Plan Research and Strategy Development expenditure to support EU project development.

<b>Risk</b>	<b>Impact</b>	<b>Comment</b>
RTS delivery	√	This work supports RTS objectives.
Policy	√	This work is designed to support delivery of our Aviation policy.
Financial	√	The cost of research to support the SPARA 2020 project is included within the Business Plan. This project will attract ERDF funds at an attractive intervention rate.
Equality	-	No impact on Equalities issues.

**Report by:** Ranald Robertson / David Gray  
**Designation:** Partnership Director / Board Member  
**Date:** 30<sup>th</sup> July 2013

## Appendix A – Project Budget

<b>BUDGET FOR PROJECT COSTS (IN EURO)</b>	
<b>Types of expenditure</b>	<b>2013-07--2014-03</b>
1. Staff costs including social contributions	16948
2. Travel and accomodation	10538
3. External experts	7700
4. Office costs (directly allocated) expert communications	500
5. Seminars, conferences, meetings	2500
6. Other (including 1st level of control, breakdown and specify exactly)	4800
<b>Gross expenditure</b>	<b>42986</b>
University of Sydney (20 hours of time offered) €3000 equivalent	
<b>Reduction: Private cash contribution</b>	<b>0</b>
<b>Total eligible costs</b>	<b>42,986.00 €</b>

<b>PROJECT FINANCING PLAN (IN EURO)</b>	
<b>Financing sources</b>	<b>2013-07--2014-03</b>
Public match funding, cash (source, nature)	
Hitrans (Lead)	5000
Trafikverket	5000
RGU	2750
	0
	0
UHI (plus provides deeply discounted conference room)	2868
	0
	0
Molde University	2250
	0
	0
	0
City of Sundsvall	5000
	0
<b>Total public match funding, cash</b>	<b>22,868.00 €</b>
NORTHERN PERIPHERY ERDF (Member States)	17868
NORTHERN PERIPHERY ERDF equivalent Norway	2250
NORTHERN PERIPHERY ERDF equivalent Iceland	0
NORTHERN PERIPHERY ERDF equivalent Greenland	
NORTHERN PERIPHERY ERDF equivalent Faroe Islands	0
<b>Total funding</b>	<b>42,986.00 €</b>