

Regional Plans of Action

Trust — Cooperation — Coordination



Government of Iceland

Benefits

Local responsibility and power

Increased democracy and consultation

Regions supported through efficiency and collaboration

Innovation in Public Administration

Regional plans of action (RPA) are an innovation in public administration and a joint project of national and local authorities. The Act on Strategic Regional Plan and Regional Plans of Action from 2015 established the procedures and ethos of RPA. The aim of the legislation is to support regional development and increase consultation in regional affairs between ministries, within each region and between administrative levels. The responsibility of local authorities in regional and community development would also be increased.

Act no. 69/2015 on Strategic Regional Plan and Regional Plans of Action



Principal Ideas

Decision-making shift of responsibility to the local level. Allocation of funds for projects in specific regions is based on the emphasis in the region in question. The aim is to increase competitiveness, strengthen cultural foundations and promote positive community and regional development. Other objectives include streamlining communications between the government and municipalities and ensuring transparency in the allocation of public funds.

Eight Regions

The regional associations of local authorities are responsible for implementing the initiatives through five-year contracts with the government. The country is divided into eight regions.



- The Capital Region
- Suðurnes
- West Iceland
- The Westfjords
- Northwest Iceland
- Northeast Iceland
- East Iceland
- South Iceland



What is the Purpose of the plans of action?

The regional plans of action are strategic plans that see locals come together to formulate a vision, objectives, prioritisation of projects and ways to successfully execute the plans.

- **Measurable objectives** – Measurable objectives are used in policy development. The RPA include local emphasis based on other public policies, such as regional development policies, climate policies and the UN's Sustainable Development Goals.
- **Five years** – RPS are planned for a term of five years and reviewed at least once, with reference to the region's status and the progress of the plans, before the halfway point of the contract period.
- **Clear procedures** – The regional associations of local authorities follow clear and efficient procedures in allocating and managing grants. Funds are allocated to projects that the local community considers important for the region and that support the goals of the RPA.
- **Collaboration and democracy** – Regional plans of action procedures promote increased democracy. The regional initiatives are carried out in an open consultation process and policy development is based on the knowledge of local residents. This approach is based on the assumption that local authorities have a better knowledge of the situation and views in the area and are in a better position to mobilise the local population than central authorities. Local participation is a fundamental prerequisite for achieving success.

Consultation Forum

Each region has a consultation forum that is directly involved in formulating and carrying out the initiative. Such forums include representatives from:

Municipalities

Public institutions in the region

The business sector

The cultural sector

The academic community

Non-governmental organisations

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Funding

The Ministry of Infrastructure and the Ministry of Culture and Business Affairs provide funding for regional plans of action. Other ministries have an opportunity to be involved in such agreements. Municipalities also provide funding. The Icelandic Regional Development Institute is responsible for administering the agreements.

716
ISK m

Basic government
funding for RPA
agreements in 2020

1,583
ISK m

Total contractual contributions
in 2020 including additions and
municipal contributions.



Criteria for Mathematical Model

The breakdown of basic contributions to regions is based on a calculation model in which the factors taken into account include:

- Population and population development
- Size of commutation area
- Unemployment
- Municipal tax revenue
- Distance from Reykjavík



Regional Development Funds

In all regions, outside the capital area, there are regional development funds to support regional initiative projects. These are competitive funds where a 50% matching contribution is required. Allocations from the funds are made at least once a year, and a special allocation committee, appointed by the regional associations, decides on grant allocations.



Priority Projects

Priority projects are projects approved by the boards of regional associations of local authorities and carried out under their responsibility. The projects are directly linked to the regional plans of action and the focus points of the consultation forum. The projects are varied and involve the policy areas of all ministries.



Support Provided by a Steering Group

The government's steering group for regional development supports the regional associations of local authorities in developing and executing regional initiatives.

The role of the steering group includes increasing coordination within the government in matters pertaining to regional development and ensuring active consultation with the municipal level.

The steering group has representatives from all government ministries and the Icelandic Association of Local Authorities, as well as observers from the Icelandic Regional Development Institute and the regional associations of local authorities.

The Minister responsible for regional matters appoints members to the group and the Minister's representative chairs the group.



Regional Development

Regional development comes under the Ministry of Infrastructure but is linked to the spheres of all ministries and extends to the entire country. The government and municipalities operate according to the definition that:



Regional development involves all issues that affect the quality of life and competitiveness of different regions of the country, e.g. housing issues, employment and innovation. The objective is to strengthen communities, social wealth, economies, education, culture, welfare, transport and telecommunications.