



Evaluation of Finnish Islands Policy

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Summary

The aim of the islands policy is to ensure balanced regional development in islands and coastal and water areas. Island policy has been implemented in Finland since 1949, and the Island Development Act cemented its position in regional policy framework in 1981. The basic idea of Finnish islands policy is to reduce and compensate the disadvantages caused by insular conditions. While this conception is still generally recognized, islands policy, like other regional policies, is expected to regenerate and position itself compared to other key policy areas. This observation set the starting points and preconditions for the evaluation of islands policy that was executed in 2018 by the order of Ministry of Agriculture and Forestry. The key questions of the evaluation are where current model of islands policy produce additional value, and on what grounds its goals, institutions and courses of action provide opportunities for regeneration.

The purpose of this evaluation report is to support the implementation of the national island programme and to lay ground for the preparation of future periods and programmes. Furthermore, the aim is to produce perceptions and interpretations on how to develop and direct the islands policy, i.e. what kind of tasks islands policy should particularly promote and emphasize in the changing environment. To carry out the evaluation, the evaluation questions were grouped on three themes: 1) development, significance and positioning, 2) goals, courses of action and effectiveness, and 3) reform needs. In order to improve the reliability of the results, these themes were examined through different methods from the perspectives of national, regional and local actors.

Archipelago does not form a coherent regional class, but the conditions and development vary across insular regions. Therefore, islands policy needs to be developed from the prevailing general and standardized policy actions towards location-based policies. Overall, the development of insular regions has been negative. This is not particularly distinctive for archipelago, but a shared long-term trend of all regions with low accessibility. The status of islands policy is not based on the fact that the archipelagos as regional type and the island municipalities are particularly vulnerable. Instead, value-based charges related in traditions, language policy and location of insular regions explain the status of islands policy.

The main strategy of islands policy is to influence other policy areas' decisions concerning archipelago so that the special circumstances of archipelago are considered. This task is taken care by the Island Committee. It has a role that suits the strategy of islands policy, visible and meaningfully limited, as a lobbyist in insular issues at the national level. Parliamentary procedure promotes Committee's ability to function and political weight. Therefore, e.g. in government platform, islands policy looks "bigger than

its size". Insular areas figure quite prominently also in central administration's regional development strategies.

Island programme is Island Committee's lobbying guide and a temporary expression of intent of the island policy. The island programme is considered an important tool for the development of insular regions, although it is difficult to prove its effectiveness. The programmes have primarily affected at the strategy and policy level; certain themes have been promoted in national decision-making. At the local level and in municipalities, island programme is poorly known. Major defects in the island programmes are their too wide scope and poor ability to commit responsible stakeholders to implement the measures mentioned in the programme. Furthermore, island programmes are lacking prioritisation; small and big things are mixed and the tips of development are hidden behind the details. Therefore, the effectiveness of island policy has diminished during the current millennium.

In order to target island policy, the Council of State appoints island municipalities and part-island municipalities for which the State pays island supplement. The designation of island municipalities indicates that state recognizes the special insular circumstances and the need for special measures required by these circumstances. In addition, the island municipality status has a marketing potential, as the archipelago is associated with positive images and exoticism.

Island supplements are important for the economy of small island municipalities. Therefore, municipalities consider it as the most important achievement of the island policy. Use and allocation of island supplements is constantly discussed within the island municipalities and the island policy. The debate relates to the fact that island supplements are not ring-fenced. Therefore, islanders consider that supplements are not used sufficiently for the good of archipelago.

Demarcation of island municipalities and part-island municipalities' island parts is difficult because insular circumstances and their adverse effects are continuous geographic phenomena. Especially beyond the islands without fixed road connection, the definition of archipelago in accordance with the Island Act is discretionary. The ambiguity in the demarcation of insular regions has led to competition for island municipality status, and increased the confrontation between island municipalities and part-island municipalities. The fact that island municipalities receive remarkably higher island supplements than part-island municipalities has fed this confrontation.

Island supplement is partly overlapping with remoteness supplement. However, prevailing method to calculate remoteness does not consider how waterways shatter the community structure, which puts insular municipalities in a disadvantageous position. Reform of the calculating method is under preparation. The reform will benefit most of the insular municipalities but may also increase the grounds for removing island supplements.

Islands policy has contributed to the construction and maintenance of technical infrastructure and transport networks that promote housing and livelihoods in insular regions. Island traffic's current sailing density and transport capacity correspond well to the needs of permanent housing and business life.



Long-term operation contracts have secured a reasonable standard of service for island traffic. Furthermore, island policy has ensured that separate funding will be allocated to the provinces that will organize the island traffic after the regional government reformation.

Securing the island traffic that meets the needs of residents and livelihoods is island policy's key task for the future. Actors in island and transport policies agree on this goal, but the views on the required measures and their effects are contradictory. According to the current island programme, island traffic should be maintained as a state responsibility and free of charge for all the islanders. According to Ministry of Transport and Communications, instead, island traffic's current operation model does not provide the preconditions for the development of insular regions' vitality or the utilization of their strengths. Thus, traffic services in the archipelago must be made more effective and developed on a market-based basis.

Islands policy is mainly lobbying and influencing at the national level and it is reflected to the municipal level mainly through island supplements and traffic decisions. In addition, municipalities use island policy as a channel to draw national attention to issues important to insular regions. Island policy provides support to municipalities' island parts in their development. However, in municipalities, this type of development of insular areas is generally not seen as island policy, but as a normal municipal development activity. At the regional level, the specific issues of insular regions are often more pronounced than at the municipal level.

Based on network theories, island policy's peer-to-peer network provides municipalities a learning platform and a transmission mechanism e.g. for transferring good practice concerning the development of archipelagos. This opportunity has been exploited little because island policy's own project resources have been found inadequate for this kind of peer learning.

The future of islands policy is affected by the development of interaction between provinces and municipalities after the regional government reform. The critical factor is the sufficiency of provincial funding and provinces' interest in insular regions. The provincial funding system does not necessarily channel attention into the development of livelihoods and employment in all parts of the province. On the other hand, increasing weight of the provinces might strengthen the significance of island policy towards the state as provinces can act as a spokesperson for insular regions.

In 1995, EU membership changed development activity so that it became programme-based and it bases on structural fund activities, rural development fund and development projects of action groups. This change positioned the islands policy closer to rural policy. EU membership and the channelling of development resources to Leader groups have strengthened the role of rural policy, but the island policy has not gained similarly from the EU membership. The status of island policy would be different if it had been incorporated more strongly into EU development funds in 1995.

During this decade, islands policy has sought to break away from rural policy and emphasized urban archipelagos. This trend reflects the interests of coastal towns to increase the tourism and the recreational use of archipelagos.



Islands policy's development measures are preserving; they are characterized by the struggle for island supplements, not active local development. In its measures, island policy relies on the "broad regional policy paradigm". While emphasizing national-level lobbying, however, island policy has partly diverged from the mainstream of regional development. Remarkable development resources and measures are directed to archipelago but they are not considered as island policy, but "normal" development of the archipelago. Therefore, it is worth increasing the visibility of island policy e.g. in the projects of the action groups and the rural development fund. Generally, this means that island policy, as relatively small policy area that is focusing on restricted geographic area, needs to seek effectiveness through the political actions that fall into area of rural and urban policies.