No 1837
Government Decree
on regional development
Issued in Helsinki 29 December 2009

According to the Government decision made on the submission by the Ministry of Employment and the Economy, the following provisions are issued under the Act on Regional Development (1651/2009), issued on 29 December 2009:

Section 1
Composition and term of office of the Regional and Structural Policy Advisory Council
The Regional and Structural Policy Advisory Council comprises representatives of the Ministry of Employment and the Economy, the Ministry of Finance, the Ministry of Education, the Ministry of Agriculture and Forestry, the Ministry of Transport and Communications, the Ministry of Social Affairs and Health and the Ministry of the Environment. Moreover, the Advisory Council comprises representatives of Regional Councils and the Centres for Economic Development, Transport and the Environment by major region, alongside representatives of Regional State Administrative Agencies, the Association of Finnish Local and Regional Authorities, the key labour market and trade organisations, environmental organisations, and organisations promoting gender equality. The Advisory Council may call upon experts. For the preparation of matters, the Advisory Council may appoint divisions.
A representative of the Ministry of Employment and the Economy shall be the chairperson of the Advisory Council. The Advisory Council is appointed for the duration of the Government’s term of office.

Section 2
Tasks of the Regional and Structural Policy Advisory Council
For the purpose of managing the tasks as referred to in section 8 of the Act on Regional Development (1651/2009), the Regional and Structural Policy Advisory Council
1) handles the proposal on national regional development objectives as referred to in section 22 of the Act on Regional Development, and other significant proposals concerning plans and programmes for regional development;
2) supports the Ministry of Employment and the Economy in coordination and monitoring tasks as referred to in section 7 of the Act on Regional Development;
3) coordinates administrative branch specific regional strategies and their objectives;
4) monitors the implementation of regional strategies for national regional development objectives and administrative branches and the related steering of regional state administration, and prepares the related development proposals;
5) prepares proposals for the development and coordination of national regional development and structural fund activities;
6) carries out other tasks falling within the Advisory Council’s sphere of authority.
The Regional and Structural Policy Advisory Council must report to the Ministry of Employment and the Economy on a regular basis on the progress of matters within its remit.

Section 3
Reimbursement of costs and expenses to members of the Regional and Structural Policy Advisory Council and experts
Members representing organisations in the Regional and Structural Policy Advisory Council, and experts, can be paid compensation for loss of income, travel costs and other expenses incurred by their attendance to their duties insofar as the party represented by the member or expert is not liable for compensation. Said compensation will be paid by the Ministry of Employment and the Economy.

Section 4
Preparation and contents of national regional development objectives
In cooperation with other ministries, Regional Councils and other parties key to regional
development, the Ministry of Employment and the Economy prepares a proposal to the
Government for a decision on national regional development objectives.
The Government decision shall include at least
1) development objectives and policies defined for their implementation;
2) a description of the resources allocated to development;
3) qualitative and quantitative impact targets and indicators that facilitate the monitoring of the
impacts of measures included in the decision on the achievement of objectives as referred to in
section 4 of the Act on Regional Development;
4) a regulation concerning the ministries that must draw up a regional strategy for their
administrative branch;
5) specification of the key objectives of special programmes and resolutions, and the parties
responsible for preparing them.

Section 5
Contents of the regional strategy by administrative branch
The regional strategy by administrative branch is drawn up as part of the operational and financial
planning of the administrative branch. It shall include at least
1) a description of the current status of regional development within the administrative branch;
2) policies and key measures concerning the implementation of regional development objectives
within the administrative branch;
3) a specification of the financing to be used and principles for its regional targeting, to be taken
into account in the strategic steering of regional administration;
4) a plan on the monitoring of the regional strategy’s implementation.

Section 6
Preparation and schedule of administrative branch specific regional strategies
The regional strategy is prepared in cooperation with the regional authorities and other government
agencies and departments within the administrative branch.
The ministries approve their regional strategies by mid-September in each Government’s second
year in office.

Section 7
Contents of the regional strategic programme
The regional strategic programme shall contain at least
1) a description of the current status of the region and parts thereof, and an assessment of the
impacts of programmes implemented within the region;
2) a review of the region’s development potential, based on foresight activity carried out by the
Regional Council and other parties;
3) focus areas and objectives for the development of the region;
4) measures for the achievement of objectives, including key projects in view of the development of
the region;
5) a section taking account of the special characteristics of the various parts of the region,
particularly island, rural and urban areas;
6) a plan on the financing of measures and key projects;
7) an account of the coordination of Structural Fund programmes and other programmes
concerning the area covered by the region;
8) an account of the impact objectives required for the quantitative and qualitative monitoring of
programmes, and the related indicators;
9) a description of the preparation stages of the regional strategic programme, and the parties
involved in preparation;
10) an account of plans and projects involving more than one region;
11) if necessary, a specification of the cooperation areas of municipalities in the region.
The measures referred to above in paragraph 4 of subsection 1 are grouped into priorities, taking account of the provisions laid down in section 25(2) of the Regional Development Act on the strategic planning and steering of state regional authorities.
In paragraph 6, subsection 1 above, financing refers to state, municipalities’ and other general government finances and private funding.
Central government funding is presented by administrative branch.

Section 8
Approval of the regional strategic programme
The regional strategic programme shall be approved in the manner referred to in section 25(3) of the Regional Development Act by the end of the year following the commencement of each municipal council term. The regional strategic programme covers the four years after the second year of each municipal council term.

Section 9
Regional strategic programme implementation plan
The regional strategic programme implementation plan shall contain at least
1) the emphases of and operating policies for the implementation of the regional strategic programme;
2) a plan for state financing of the regional strategic programme;
3) a plan for EU financing of the regional strategic programme;
4) a plan for municipal financing of key projects of the regional strategic programme;
5) an estimate of private financing of the regional strategic programme;
6) a plan on the implementation a schedule for key projects of the regional strategic programme, special programmes and other measures, and the parties contributing to their financing;
7) a description of the preparation stages of the implementation plan, and the parties involved in preparation:
The aspects as referred to in paragraphs 1-5 of subsection 1 above shall be presented in coordination with the planning of state budgeting according to spending limits and strategic guidance as referred to in section 7 of the Act on Centres for Economic Development, Transport and the Environment (897/2009) and section 8 of the Act on Regional State Administrative Agencies (896/2009).
The estimate referred to in paragraph 2 of subsection 1 above shall be presented in accordance with the division by administrative branch.

Section 10
Approval of implementation plan
The approval schedule for the regional strategic programme implementation plan shall be coordinated with the schedule for strategic steering as referred to in section 7 of the Act on Centres for Economic Development, Transport and the Environment and section 8 of the Act on Regional State Administrative Agencies. If necessary, implementation plans may be revised.
The Ministry of Employment and the Economy issues more specific instructions annually on the schedule and procedure to be complied with in the preparation of the implementation plan.

Section 11
Special programmes
The competent ministry shall be responsible for the preparation of special programmes as referred to in section 24 of the Act on Regional Development. Special programmes are prepared in cooperation with ministries, Regional Councils and other parties key to the matter.
The competent ministry is responsible for the implementation of the special programme and adequate steering in order to ensure said programme’s implementation.
The party responsible for the implementation of the special programme shall also be responsible for monitoring and reporting on said programme’s implementation.

Section 12
Objectives of special programmes
The special programme shall involve the implementation of the objectives provided in the Government decision on national regional development targets. Moreover, the competent ministry can set any objectives necessary within its sphere of authority. The regional programme shall implement the objectives of the special programme and the regional strategic programme. Moreover, the regional programme can set other objectives necessary in terms of the programme.

Section 13
Contents of special programmes
The special programme shall include at least the following:
1) description of current status;
2) objectives of the programme;
3) measures for achieving the objectives;
4) target group of measures;
5) the area at which the measures are primarily intended to be targeted;
6) an estimate of the financing of measures;
7) a description of the special programme’s coordination with regional strategic programmes and their implementation plans;
8) impact objectives and indicators required for the quantitative and qualitative monitoring of programmes;
9) a description of the preparation stages of the programme, and the parties involved in said preparation;
10) a description of programme administration and finances.

Section 14
Duties of cooperation groups
The committees appointed for special programmes, as referred to in section 9 of the Act on Regional Development, prepare programme proposals alongside other parties contributing to programme preparation, and issue an opinion on regional programme proposals. These committees direct, monitor and evaluate programme work and carry out foresight in support of such work alongside proposals for financing and development of said work. The term of office of a committee shall be defined so as to enable said committee to handle the final evaluation of the programme. The task of other committees appointed for other entities significant to regional policy involves ensuring the preparation of the matter based on cooperation, the steering of implementation and monitoring. The committees referred to in subsections 1 and 2 above report on their activities to the Regional and Structural Policy Advisory Council.

Section 15
Division into subregions
In exceptional cases, one municipality may form a subregion.

Section 16
Environmental impact assessment

Section 17
Monitoring of regional development objectives
The national monitoring and evaluation of the implementation of regional development objectives as referred to in section 4 of the Act on Regional Development shall at least be based on impact objectives and indicators that describe:

1) the economy and competitiveness of regions;
2) the labour market situation;
3) demographic trends and wellbeing;
4) sustainable environmental development.

Further provisions on the indicators used are given in the Government decision on national regional development objectives, and applied, as applicable, to the impact monitoring of other plans and programmes under the Act on Regional Development.

Section 18
Rural division
The rural division appointed by the Regional Management Committee is tasked with planning and coordinating regional rural development measures. The rural division prepares matters related to rural areas for handling by the Regional Management Committee, and participates in the preparation of the regional strategic programme as concerns paragraph 5 of section 8(1). Provisions on the composition of the rural division are laid down in the Government decree on the management of programmes related to rural development (634/2007).

Section 19
Drawing up of cooperation agreement
In addition to the parties contributing to financing, the Regional Council acting as the regional development authority shall participate in the preparation of cooperation agreement as referred to in section 28 of the Act on Regional Development, when the agreement under preparation is a regional strategic programme concerning the region, a special programme or an agreement on the implementation of a regional structural fund programme. Participation of the Council will ensure that the matter or measure agreed is congruent with the development targets of the region.

Section 20
Entry into force
This Decree enters into force on 1 January 2010.

Helsinki, 29 December 2009

Minister Mari Kiviniemi
Government Counsellor Tuula Manelius