



Appendix: Strategy for the Regional State Administrative Agencies and the Centres for Economic Development, Transport and the Environment for 2020-2023 – Impact assessment

Method of assessment

The impacts of the strategy drawn up for the Regional State Administrative Agencies and the Centres for Economic Development, Transport and the Environment (ELY Centres) for 2020-2023 have been assessed by public officials in the strategy working group. In the assessment, the working group used the list of impacts presented below. The amount, extent and significance of impacts are described at a general and qualitative level. First, each of the priorities of the strategy was examined by means of a table, followed by a summary.

Impacts:

1. People and communities: a. Health, living conditions and comfort, b. Households, c. Status and equality of people, gender equality
2. Economy, livelihoods, regional structure: a. Livelihoods, b. Employment, c. Regional and community structure, d. Functioning of transport and community management
3. Environment and natural resources: a. Climate change, b. Soil, water, air, vegetation, organisms and biodiversity, d. Natural resources and their use
4. Service capacity and operations of agencies: a. Tasks, procedures and cooperation, b. Staff and organisation.

Summary of the strategy impacts

The impacts of implementing the strategic priorities of the Regional State Administrative Agencies and the ELY Centres for 2020-2023 (Increasing vitality, Striving for carbon neutrality and Securing wellbeing and equality) were assessed to be mainly positive, and partly direct and partly indirect. Potentially adverse or conflicting impacts can be prevented and mitigated by coordinating, for example, land use and traffic planning, and promoting the material and circular economy and preparedness. In practice, only after the measures to implement the strategy have been selected will it become clear what kinds of impacts the agency activities will have.

The agencies must identify the impacts that their activities will have on different areas, different groups of people and businesses. For example, in sparsely populated areas, core rural areas, urban-adjacent rural areas, urban areas and the capital region, the consequences of implementation may be different. In addition, the impacts of decisions and measures on women, men and different customer groups must be identified. In their activities, the agencies must systematically promote gender equality and non-discrimination and prevent inequalities between different population groups.



The implementation of the strategy will be monitored annually as follows: monitoring indicators will be defined in 2020, a first joint mid-term review will be carried out in 2021, the strategy will be specified in 2022, if necessary, and a final evaluation will be prepared in 2023. The working group considers it important that the agencies, in cooperation with guiding bodies, stakeholders and customers, actively identify and monitor the impacts of the implementation of the strategy so that the strategy can be specified, if needed. In particular, the assessment will take into account regional impacts and impacts related to different groups of people, business and industry. One objective of the monitoring is to examine whether the impacts of the strategy and its implementation will be realised in line with the assessment. If necessary, the impact assessment will be specified.

Impacts on people and communities

The objective of the strategic priority *Increasing vitality* is to increase the employment and participation rate of all people in the labour market and to raise the level of education and competence. The impacts are mainly positive and both direct and indirect. Participation in the labour market has a positive impact on the health and quality of life of individuals and it improves household incomes. An increase in the level of education and competence also promotes equality and equal opportunities between different people and population groups. Successful integration and employment of immigrants strengthens their inclusion and reduces the risk of marginalisation. Internal security will improve.

Promotion of good living and working environments and animal health also safeguard human wellbeing. For example, food safety and health protection controls prevent, reduce and eliminate factors that may cause health problems to humans. The prevention of serious infectious animal diseases (e.g. African swine fever) may have negative economic effects if, for example, farm animals have to be destroyed. The objective of occupational safety and health enforcement is to make work healthy and safe, which has indirect effects on increased vitality.

The impacts of the strategic priority *Striving for carbon neutrality* on people and communities can be both positive and indirect. Not all impacts can be anticipated. A potentially negative impact on equality may arise if, for example, transport costs become emission-based. This would mean that people living in sparsely populated areas might incur a higher burden than those living in a southern growth centre. Growth centres offer better opportunities for public transport, walking or cycling.

Increasing public environmental awareness and permit and control processes have an impact on the state of the environment and the sustainable use of natural resources, thus promoting people's wellbeing. The impact chains are partly indirect and may involve, for example, networking with other operators in environmental education. A more direct impact would result from financing business projects that support environmental and climate measures and from promoting infrastructure for sustainable mobility and land use as well as public transport. Improvements in biodiversity and the state of waters have a positive impact on people's living conditions and comfort, among other things.



The strategic priority *Securing wellbeing and equality* aims to ensure that basic public services are safe, equally available on a regional level and that legal protection is ensured. The impacts on people and communities are positive and direct. Cooperation in the promotion of comprehensive security and inclusion and the prevention of exclusion can affect wellbeing and equality positively and both indirectly and directly. In order to guarantee internal security, it may sometimes be necessary to impose guidelines and restrictions that may be considered negative.

Impacts on the economy, livelihoods and regional structure

As a rule, the objective of the strategy is to support sustainable development of the economy, employment, livelihoods and a good regional structure. Most of the impacts are positive. The impacts of the activities of the ELY Centres are direct and those of the Regional State Administrative Agencies mostly indirect. Direct effects will result from the improvement in employment and the promotion of business activities as the number of companies and production capacity increases, the shortage of skilled workers diminishes and people with partial work ability find employment. Regional economies will benefit from increased purchasing power and tax revenue. Indirect adverse impacts will arise from growing transport and mobility needs, which will increase infrastructure costs. Through licensing and supervision activities, authorities can ensure that business operators have, among other things, appropriate facilities, equipment and competent staff. The requirements may have a cost-increasing effect on companies.

The impacts of the objective of carbon neutrality are mainly positive and can be direct for the development of livelihoods as new business opportunities are created. According to the assessment, the impacts of the strategic focus on regional development, regional and community structure, and transport and community maintenance are also positive. The impact of the strategic priority *Securing wellbeing and equality* is assessed to be positive on the economy and livelihoods and partly neutral on the regional and community structure.

Effects on the environment and natural resources

The desired impacts of the strategy on the state of the environment and the sustainable use of natural resources are positive and, in many respects, direct. Sustainable economic activity and environmental and climate projects can create direct impacts. For example, the positive environmental impacts of business subsidies can be increased by allocating aid to projects that support the objective of carbon neutrality. High-quality land use planning at different planning levels and transport system work support the achievement of environmental goals. With regard to environmental permit processes and land use promotion, it is important to promote urban infill, enable carbon-free energy production and advance public transportation, walking and cycling. If housing or jobs are created in urban fringe areas or rural areas, the number of transport performances by passenger cars will increase and emissions will grow.

Environmental and water permit processes can be used to endorse entrepreneurship that promotes the circular economy. The impact on the state of biodiversity and waters is positive. The positive impacts of



securing wellbeing and equality are a result of, for example, enhanced internal security cooperation and improved risk management.

Impacts on the service capacity and operations of agencies

Successful performance of the agency tasks requires competent, sufficient and motivated staff. The key issue is the sufficiency of resources in a situation where the preparatory and implementation tasks required by the Government Programme objectives, the reform of several substantive laws as well as an administrative reform must be balanced with the requirements of basic work. The reduction in human resources and skills in different areas at uneven times can have a negative impact. This highlights the need for strengthening and expanding skills. It is important that the organisation is able to combine skillsets that already exist in the agency (learning organisation) and to offer different learning methods to staff in order to develop their skills. As concerns the implementation of digitalisation projects, it is essential that the staff is trained, operating processes are developed and customers are involved in the development. The provision of expertise in procurement will support the progress of the projects on schedule.

The agencies are well prepared to take advantage of the opportunities offered by work not tied to one location and to provide, with their multisectoral operations, an attractive and modern government workplace for regional experts. Modernising the ways in which work is performed by increasing flexibility improves wellbeing at work.

Investing in management and the development of practices will streamline work. Involving staff in the development of operations strengthens participation. As a rule, the impacts of participatory and coaching management (which will be introduced at Regional State Administrative Agencies) are positive and direct (for example, increased discussion, dialogue and interaction in the workplace) and indirect (expansion of competence). The prolonged introduction of the agency pay system has prevented its use as an active tool for management. The introduction of the pay system has already ended at the Regional State Administrative Agencies, but the transitional period agreed for the introduction of the system at the ELY Centres is still ongoing. The transitional period in the ELY Centres continues, because introducing the pay system there has a significantly higher cost impact compared to the pay system of the Regional State Administrative Agencies. The situation remains difficult for the staff and may cause further problems in recruitment. The State currently also competes for the availability of skilled workers. A good reputation of the State and the regional administration as employers is therefore of paramount importance.

The development of operations and the increased work speed will benefit staff, customers and the agency. The Regional State Administrative Agencies and the ELY Centres can also enhance their cooperation and develop common solutions. The development of common and uniform practices is, as a rule, positive for customers, staff and the quality of services. Consistent solutions on the same issues and generally understandable language are also important for customers. Equality is a key issue and equal practices ensure it. On the other hand, the differences between sectors and regions may require “tailoring”, so the effects of switching to a single model can be both positive and negative. The effects may be both direct and indirect.



Good and effective cooperation with stakeholders and customers is a basic prerequisite for the comprehensive implementation and development of operations.

Strategy for the Regional State Administrative Agencies and the Centres for Economic Development, Transport and the Environment for 2020-2023 – Table summary of impact assessment

Strategic priorities and aims. Green = very positive (++) Pale green = quite positive (+) Purple = positive and negative (+/-) Grey = no impact (0)

Priority: Increasing vitality	Employment rate will rise to 75%	Companies will renew, grow and become more international	Level of education and skills will increase and the availability of skilled labour will improve	State of the environment will improve	More and more people will be active and capable of working in a changing labour market	Operating environment develops favourably through cooperation and competitive conditions for companies will become more equal	Competitiveness, health and safety of food production will be improved
<i>Economy, industries and regional structure</i>	++	++	++	+	++	++ indirect	++
<i>People and communities</i>	++	++	++	+	++ indirect	++ indirect	++
<i>Environment and natural resources</i>	-/+	+	+	-/+	+	-/+ indirect	-/+ indirect

Priority: Striving for carbon neutrality	More circular and bioeconomy solutions and sustainable use of natural resources	Biodiversity and the state of waters will improve	Climate change mitigation and adaptation will be supported	Societies will develop sustainably
<i>Economy, industries and regional structure</i>	++	+	++	++
<i>People and communities</i>	+ indirect	++ indirect	+	++
<i>Environment and natural resources</i>	++ indirect	+ indirect	++	++

Priority: Securing wellbeing and equality	Basic services are safe and equally available on a regional level	Better risk management and preparedness	Legal protection becomes more proactive, quicker and more effective	Overall security of society is at a good level	Inclusion and involvement increase and marginalisation declines
<i>Economy, industries and regional structure</i>	++	+	+ indirect	+	++
<i>People and communities</i>	++	+	++	++	++
<i>Environment and natural resources</i>	+	+ indirect	+	+	+

Practices	Customer relationships and digitalisation	Common operating practices and partnerships	Staff and work community
<i>Service capacity and operations of agencies</i>	+	++	++