

Protocol of Regional Working Group on Investments and Economic Cooperation

Date: 16 June 2014, at 10.00-13.00 (local time)

Venue: The venue of Swedish Federation of Business Owners, Norrbotten, Sweden

Attendees:

Kjell Hjelm, Swedish Federation of Business Owners, Norrbotten, Sweden

Kari Huotari, Swedish Federation of Business Owners, Norrbotten, Sweden

Torbjörn Halvardsson, Swedish Federation of Business Owners, Västerbotten, Sweden

Martti Kankaanranta, Organisation of SME-enterprises in Western Lapland, Finland

Stein-Gunnar Bondevik, Innovation Norway, Troms, Norway

Sari Roininen, County Administrative Board of Norrbotten, Sweden

Not attending:

Jorma Teittinen, Joint Authority of Kainuu Region, Finland

Ilkka Yliniemi, Council of Oulu Region, Finland

Irina Gladysheva, Minister, Ministry of Economic Development and Competitive Policy of the Arkhangelsk Region

A.V. Fridman, Minister of Economic Development of Republic of Komi

Agenda:

1. Opening of the meeting.

The chair, Kjell Hjelm, opens the meeting.

2. Adoption of the agenda.

The agenda was adopted.

3. Election of secretary of the protocol.

Sari Roininen was chosen as secretary.

4. Previous meeting and protocol.

The protocol from the previous meeting was adopted.

5. Reports from group members – business/investment/difficulties

Kari Huotari from the Swedish Federation of Business Owners in Norrbotten, Sweden told about two cross border project that Norrbotten is involved in. The first is a cross border project with Norway and Finland who actively works with border barriers on an individual level, i.e. helping people who work across the borders. They are now identifying small businesses and their barriers to see how they can include SMEs in the project. The second project is a Russian-Swedish council working with business to business meeting between Russian and Swedish companies. The aim is to bring them closer in business cooperation. They also have an office in Murmansk who supports the companies in their cooperation.

Kjell Hjelm told that the business industry in Norrbotten is growing and 70% of the SMEs want to expand their businesses. The region is the second highest in BNP/capita in Sweden and the will to invest is high. The challenge is to find suitable workforce. The region is not dependent of the basic industry in the same extent as before since many new industries are developing, there among a growing new need of locations for data servers and 3 large companies has been established in Norrbotten so far.

Torbjörn Halvardsson told that Västerbotten also has challenges with recruitment for the forthcoming 6-7 years, much because of the large groups of retirements. Despite this, the service industry is growing, as is the construction industry which is over heated, whereas the mechanic industry is declining. Companies have difficulties to find investment funding and they do not see the need to go global. The wind power is growing in the region which also affects the SMEs positively.

Martti Kankaanranta told that after the economic collapse in 2008 the gross domestic product in Lapland grew faster than the rest of Finland until 2013; however, the economy is decreasing somewhat during 2014 and 2015, especially in Lapland. The region has also a conflict of interest between the mining and tourism industries that need to be solved. The qualified workforce in Lapland tends to move abroad to Sweden and Norway to get work if Lapland economic development will fade. However, the tourism industry is growing, especially foreign tourists wanting to visit Lapland. Ores, metals, the forest industry and tourism are strong in the Lapland region and these strong sectors are controlling the other sectors and the development of services.

Stein-Gunnar Bondevik reported of strong economic growth in Northern Norway, with heavy investments, growing oil & gas sector and a very strong salmon industry as the main drivers. He also told that the mining industry is small but growing. Norway has, in their mineral strategy, valued the industry to 1800 billion NOK. North Norway has greater growth than any other part of Norway, and much of their non-vulnerability depends on the large public sector and resource based economy. There is optimism in the region and large investments are planned, but they have also challenges in form of lacking qualified workforce and communications (such as better roads and railways).

6. Information from the County Administrative Board of Norrbotten

Sari Roininen informed about the structure of the BEAC cooperation. Furthermore, she informed of the EU-funding programmes Interreg Nord and ENI Kolarctic. In Interreg Nord there are two goals for the forthcoming period that particularly addresses SMEs. One considers the increase of competitiveness among SMEs in the region, and the other the increase of internationalisation among the companies. There is also a goal considering matchmaking between workforce and the need of industries.

7. Election of new chairman

The present members of the RWGIEC unanimously elected Stein-Gunnar Bondevik as a new chair.

8. Election of new member

The present members of the RWGIEC unanimously elected Kari Huotari, representing Norrbotten, as a new member of the working group. He replaces Kjell Hjelm.

9. Next meeting.

Next meeting is suggested to take place in Rovaniemi, Finland, the 25th September 2014.

10. Closing of the meeting.