

## **ANNUAL REPORT FROM THE BARENTS REGIONAL COUNCIL'S WORKING GROUP ON INVESTMENTS AND ECONOMIC COOPERATION (WGIEC) 2007**

### **General:**

The mandate of the Working Group was adopted in the end of 2006 and it meant in practice, that it was possible to start the group's actual activities. The main tasks of the group were determined in the mandate as follows:

- to assess business infrastructure from the practical viewpoint of the region's SMEs
- to propose to the officials the improvement of business climate and operational conditions
- to arrange meetings between administrations and business life
- to distribute information
- to encourage SMEs for cross-border economic cooperation
- to build up sub-contractor networks so that SMEs could participate the big-scale projects
- to start a dialogue between the big companies and SMEs in the region
- to combat trade barriers
- to inform about the transportation needs of companies
- to cooperate with different sector programmes

The mandate also stated the composition of the working group with a representative from all member regions. The representative should also have experience from business life. The working group's chairmanship rotates every second year.

### **Starting phase and composition of the Working Group:**

The actual activities of the working group started quite slowly. When planning the first meeting only a part of group members were known. The first two meetings arranged in such circumstances were participated quite poorly, but at least three member regions by participating the meetings have demonstrated to be interested in the working group. You may find the meeting reports further.

#### **Composition:**

**Chair:** managing director Timo Rautajoki, Lapland Chamber of Commerce

**Members:** development director Ilkka Yliniemi, Council of Oulu region  
vice minister of economy Dmitri Kislov, Republic of Karelia  
managing director Jonas Lundström, Norrbotten Chamber of Commerce  
managing director Torbjörn Halvardsson, Västerbotten entrepreneurs  
special expert Jan Vasskog, Innovasjon Norge, Finnmark  
(from 10.10.2007 Amund Beitnes, Innovasjon Norge Fonds)  
director Sergey V. Smirnov, Arkhangelsk

Including chair the working group had only seven members i.e. many regions have not yet nominated own representative.

Nominations to the working groups are still missing from the following regions:

- Kainuu
- Nordland
- Troms

- Murmansk
- Komi

Also a representative from the Indigenous peoples is missing. It is a big challenge in 2008 to complete the full composition of the working group.

### **Meetings:**

The first working group meeting was held on 19 April 2007 in Saariselkä within the Sixth Barents Industrial Partnership together with the BEAC Working Group on Economic Cooperation. Two members except the chair participated the meeting - Ilkka Yliniemi from Northern Ostrobothnia and Jonas Lundström from Norrbotten. In the meeting we looked upon the mandate and discussed about its implementation. Through the national members of the BEAC Working group we have sent a message to those regions, which have not yet nominated its group members, and a wish to do such nomination soonest possible. The next working group meeting was decided to be held during autumn 2007 in Petrozavodsk .

The second working group meeting was held in Petrozavodsk on 18 October 2007 in the Ministry of Economic Development of the Republic of Karelia. Ilkka Yliniemi from Northern Ostrobothnia and Dmitri Kislov from the Republic of Karelia together with the chair were present in the meeting. Jonas Lundström from Norrbotten was due to overpowering obstacle unable to travel to Petrozavodsk. We discussed the member situation and Dmitri Kislov promised to contact the Russian regions with missing working group member nominations. Ilkka Yliniemi introduced the objectives for the working group set by the Council of Oulu region, which will chair the Barents Regional Council from the beginning of 2008. During the followed discussion it was stated that the chairmanship period of the Council of Oulu region is crucial for starting the working group activities. If participation of the meetings will still be passive and some significant member regions will not nominate their representatives, the need for the working group should be re-evaluated. From the opinion of the present members the working group activities are nevertheless important from the viewpoint of the regions, so it is worth seriously making efforts to tackle the problems of the starting phase. A good solution could be arranging the meetings within the Regional Council's meetings. Dmitri Kislov stated, that at least every second meeting should be arranged in Russia since some regions could have difficulties in financing travelling to the working group meetings. The next meeting was agreed to be held during the first half of the year 2008. The date should be set after the planning meeting between the chairs of the Working group and the Regional Council and its office.

On behalf of the working group:

Chair Timo Rautajoki