

Renewing Kainuu – Kainuu Regional Programme 2009-2014

Kainuu Today

Objective: the growth of well-being

The key business areas in Kainuu: ICT and Electronics, Tourism, Natural Resources

1. Kainuu Today

The Regional Programme is a central part of the planning system. Kainuu is a region in the middle of Finland comprised of nine municipalities. Its landscape is characterised by forest-covered hills complemented by numerous waterways the length and breadth of the region. The changing seasons highlight the diversity of the landscape as a multiform environment offering versatile experiences for the enjoyment of both locals and tourists. Indeed, the landscape has been a strong influence on the development of the region's cultural heritage and intellectual traditions.

The economic development of the 2000s was favourable to the Kainuu Region until the worldwide recession began at the end of 2008. Before that, the growth rate of the regional economy was higher than average in the country and the unemployment rate was declining faster than in any other region. However, unemployment remains a difficult challenge in Kainuu, as does the aging of the population and, especially, the fall in the number of residents in the already sparsely inhabited countryside.

Gauged by many different indicators, development in Kainuu has proceeded in the direction of the region's development targets. The starting of production in the Talvivaara mine during the autumn of 2008, the favourable development of the service industries and the large investments in the tourist industry in Vuokatti and elsewhere have had an especially good impact on the development of the region. The number of new businesses started in the Kainuu Region during the last few years has been double the number targeted for. There are great possibilities especially in the increase in the use of wood-based bioenergy and in meeting the challenges of climate targets.

However, the economic development of the coming years will be challenging. Yet another test we face is to increase the region's attractiveness, particularly to women and the young.

2. Regional Programme Forms a Central Part of the Planning System

As decreed by the regional development legislation, the provincial federations function as regional development authorities. In Kainuu, this federation is the Joint Authority of Kainuu Region. Its tasks include the preparation of Regional Development Programmes, their approval and implementation follow-up. The central tool for regional planning is the long-term strategic plan or Regional Plan, which in Kainuu is the Kainuu Regional Plan 2025. Defining it are the Regional Land Use Plan, specifying the guidelines for the region's use of areas, and the Regional Programme, which includes the short-term analysis of the operating environment and the plan of development measures, and determines the main directions of the region's industrial policy. Annually, it is defined by the Implementation Plan (TOTSU) of the Regional Programme.

The Kainuu Regional Programme has been compiled within a broad regional cooperation network. The preparation of the Programme was begun in June 2008 and the Regional Council approved it at its meeting on 28th September 2009.

2. The Development of the Kainuu Operating Environment

Globalisation

- uncertainty and quick changes
- the focus of the economy is shifting from the USA and Europe to Asia
- highly specialised competence is the prerequisite of success

Political factors of change

- European Union 2013 +
- the development trend in Russia and future choices of the Russian government
- the rearrangement of public services

Economical factors of change

- the growth of work productivity
- continuous development of technologies and competence
- specialisation
- energy efficiency must be improved
- information technology is present everywhere

Social factors of change

- the responsibility of the individual is growing
- society's responsibility over an individual is decreasing
- inequality is increasing
- the aged population is growing
- the age group of the young is decreasing
- the need for services is growing
- multiculturalism

Centralisation development

- ever more concentrated community structure
- accessibility

Climate change

- a challenge the whole world shares
- use of energy and its sources are changing
- energy efficiency must be taken into account everywhere

3. The Objectives of the Kainuu Regional Programme

The main objective of the Programme is the improvement of the well-being of the people in the Kainuu Region. Well-being consists of social and economic welfare and the healthy state of the environment.

The basis and economic resources of well-being are created by the nationally higher than average growth rate of regional economy, which decreases the difference in development between the Kainuu Region and the rest of the country.

A vital part of this growth is the task of improving the level of know-how, especially in the fields chosen as the key business areas. Businesses functioning as the drivers of development are those that are expanding and expansion-minded, based on special know-how and which sell the majority of their products and services outside the region.

Expanding industries dependent on natural resources observe the principles of sustainability. In the future, the Kainuu Region will be energy self-sufficient and climate responsible – in other words, a region supporting sustainable development.

Our objective is the balanced development of the region. Services will be secured for all the region's inhabitants. In social and health services, we aim especially at reducing the differences in health between various population groups.

The young are a particular focus of the development measures within all the operational policies of the Programme. The development measures support young people's zeal for action, innovativeness, entrepreneurship and the desire to live in the Kainuu Region.

The accessibility by road of the regional centre must remain at least at the same level as that of the regional centres of Eastern and Northern Finland.

4. Strategy of the Programme

The Vision

“Kainuu offers well-being and quality of life through know-how, enterprise and cooperation”

The Mission

“Promoting the regeneration of Kainuu”

In the midst of fast and wide-reaching change, businesses as well as individual operators, and the public and third sectors have to continually develop their operations. They have to revise their know-how, products, services and modes of operation in order to maintain their competitiveness in their business environment and the market. Open cooperation between different fields generates new products and service concepts.

5. Operational Policies for the Implementation of the Programme

The Kainuu Regional Programme broadly defines the development steps needed for the various themes during the coming years in order to reach the target set for the improvement of well-being in the region.

The operational policy concerning know-how and education (OP1) responds to the need to raise the degree to which products and services are processed, create new innovations, train labour and improve its level of competence to correspond with the requirements of the regenerating labour market.

Business, entrepreneurship and employment (OP2) focuses on the development of industry within the chosen key business areas of ICT and Electronics (1), Tourism (2) and Natural Resources (3). The target of development consists of expanding and expansion-minded businesses and services which acquire their turnover mainly from outside the region. The improvement of unemployment figures requires diverse measures.

The measures for the development of the countryside (OP3) will improve the vitality of rural districts and the quality of life in them as well as diversify business activities and know-how.

The operational policy for well-being (OP4) concentrates on increasing welfare in Kainuu with the development of new models for service and operations. Focal themes include the promotion of healthy lifestyles, reducing the differences in health between various population groups and developing the service system.

The operating environment (OP5) forms the framework for all activities. The built-up environment and infrastructure will be developed further to support the objectives of the development of the inhabitants' well-being and means of livelihood. The improvement of the natural environment promotes the region's magnetism and the diversity of nature. Active cooperation and networking facilitates the development of the region in all fields and on all levels. The third sector is an active and versatile player.

6. The Key Business Areas for the Development of Livelihoods and Industry in Kainuu

Three key business areas for the development of livelihoods and industry have been chosen for the Regional Programme based on their inherent strengths and future expectations: ICT and Electronics (1), Tourism (2) and Natural Resources (3). Development investments will be directed specifically to growth companies in these areas by strengthening the education of these fields as well as the research, development and service structures and the operating environment. Sufficiently large investments in these key business areas will also support other business by making the nationally higher than average growth rate, set as the target of the regional economy, possible. The growth of the regional economy will create the resources for the improvement of well-being in Kainuu, which is the objective of the Programme.

The requirements for development common to all fields include:

- business expertise
- marketing and sales expertise
- internationalisation
- productization and commercialization
- networks, consortiums and their management
- ensuring the availability of skilled labour
- new technologies
- research and development
- EU financing and its utilisation
- communication, positive signals
- risk management
- business successions

Development of the Key Business Areas

1) ICT and Electronics

Measurepolis Programme

Development programme for vehicle information systems

Snowpolis Programme

Game and simulation development

LivingLab

2) Tourism

The development of tourist centres/ centre or tourist area-specific Master Plans

Joint activities in international marketing, development of know-how and the improvement of accessibility.

3) Natural Resources

Utilisation of forest resources and reprocessing

The increasing use of renewable sources of energy

The growth of the mining industry

Increasing the use of locally grown produce

7. The Organisation for the Implementation of the Programme

The Programme's financing and financiers are presented annually in the Implementation Plan (TOTSU) of the Regional Programme.

The regional anticipation and follow-up group in Kainuu monitors the implementation of the Regional Programme. The development of the Programme is reported twice annually to the Regional Council. The follow-up data can be found in the Kainuu regional portal at (www.kainuu.fi).