

Models of Regional Development Agencies in Finland

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Joensuu Region

Europe > Finland >>
North Karelia >>> Joensuu Region

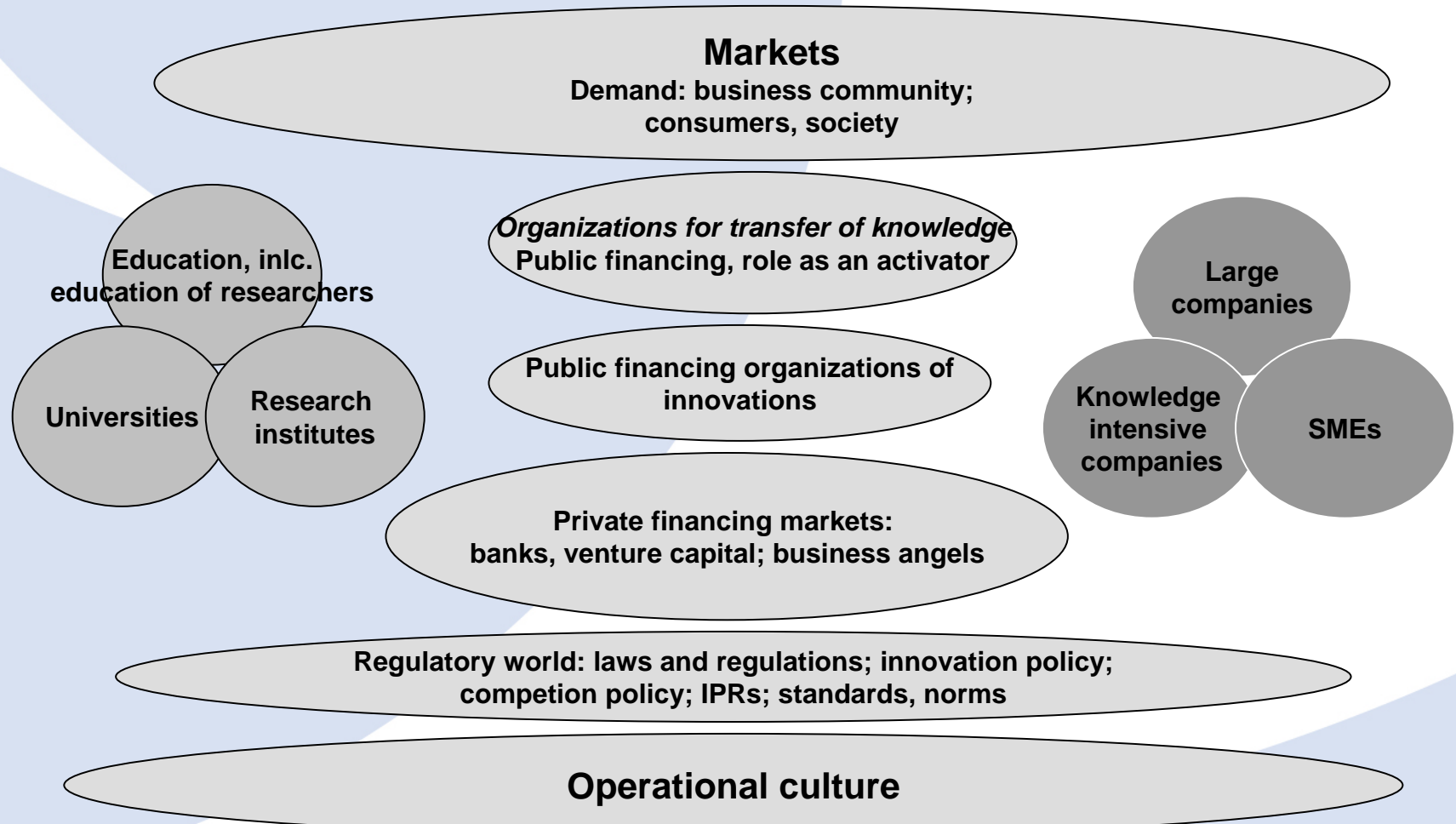
The leading growth centre
in Eastern Finland



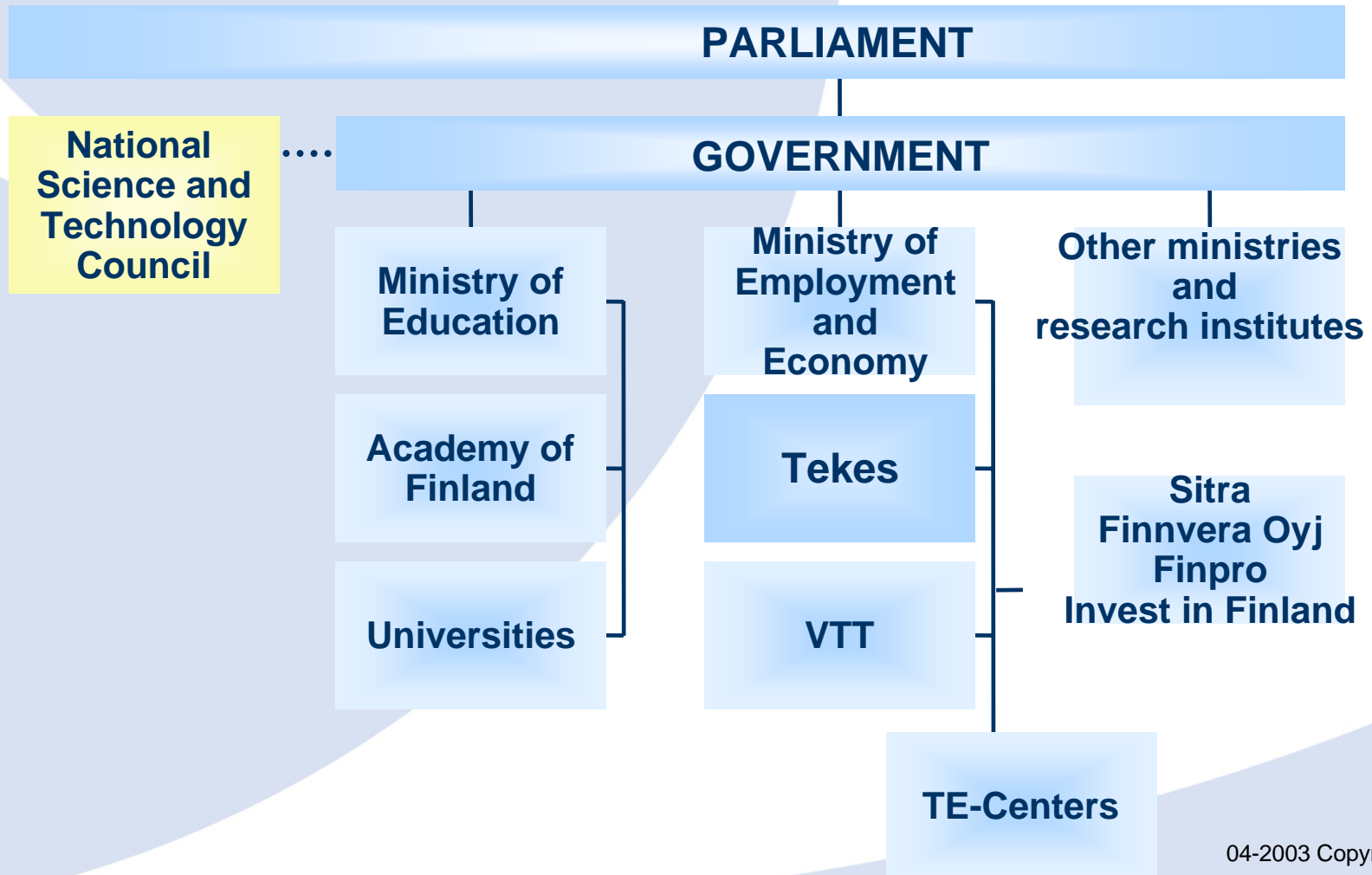
Innovation Policy and System in Finland

- Innovation policy forms the basics of the business development policy in Finland
- Businesses and innovators operate in different part of Finland; it means that new innovations can be created anywhere in Finland
- The challenge is how to combine the national (governmental) and regional (municipal) system together and form one operational innovation and business development system
- During last years Finland's innovation and business development system has been regarded one of the best in the world

Innovation Environment in Finland



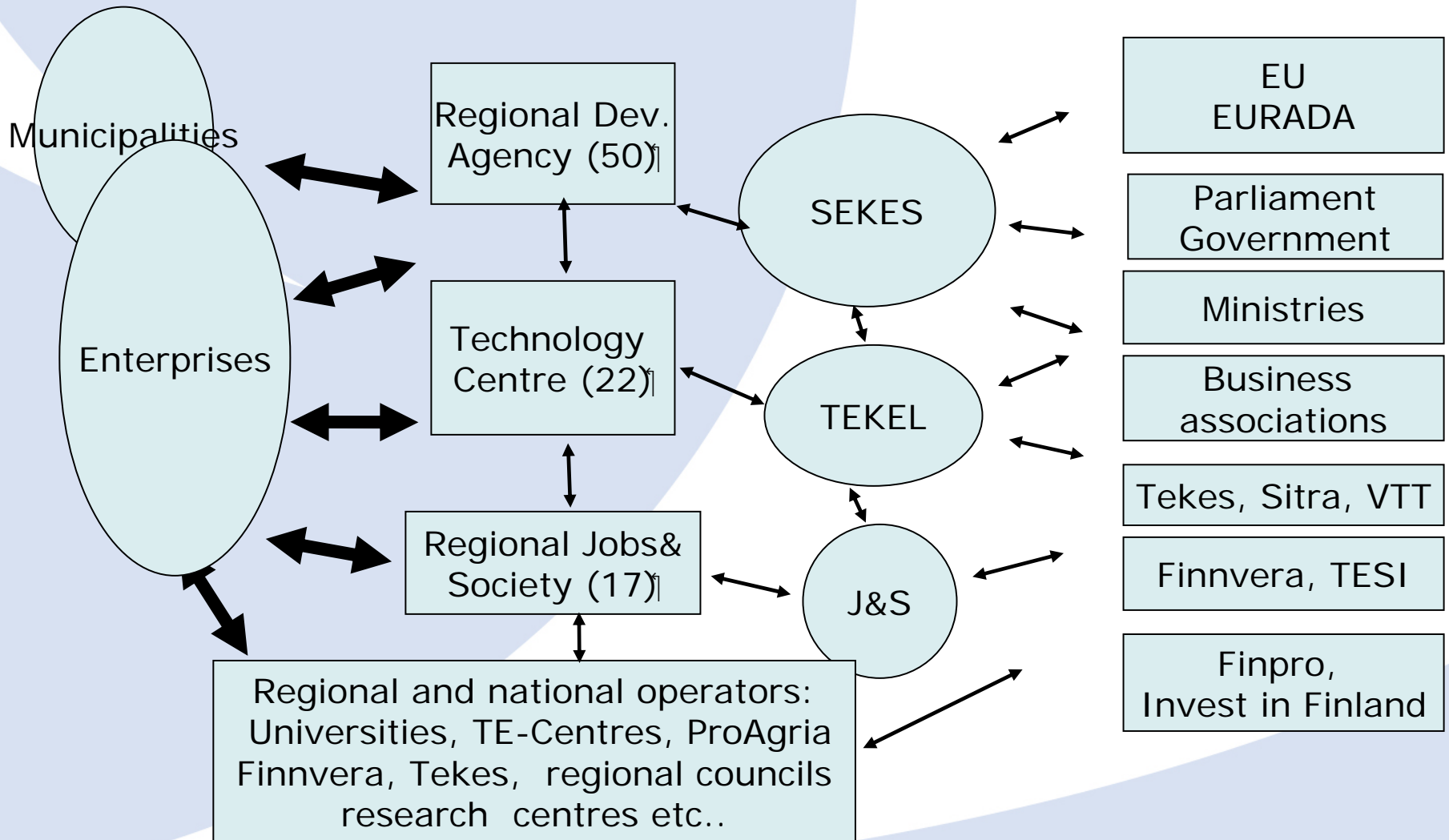
National Science and Technology Administration in Finland



History of Regional Business Development in Finland

- Business development in municipalities was started in the 1970's
 - rapid transfer from agricultural to industrial society
 - huge need for entrepreneurship and new enterprises
 - the Government supported municipalities in establishment of industrial parks and business development agencies
- The first regional development agencies were established in the 1980's (in order to solve severe regional problems)
- The modern regional system was built in the 1990's when many of the present agencies were established
- There are about 90 development agencies of which about 50 operate regionally
 - over 500 workers (business counsellors/advisors, project managers, marketing persons, managers and assistants)
 - total value of contracts with municipalities about 100 million €/a (contracts based on €/capita/a from 15 €/capita up to 45 €/capita)
 - total number of customers 40 000- 50 000/a

Structure of regional business development system and links to national and international system in Finland



Three Basic Tasks for Regional Development Agencies

1. Operational responsibility for regional business development:

Based on regional business policy, programme and targets as well as their implementation in cooperation with other operators and business community

2. Business services

Customer orientation and fluent service processes form the basis.

A package of services put together from the services of different organizations

3. Marketing

Businesses

Investments

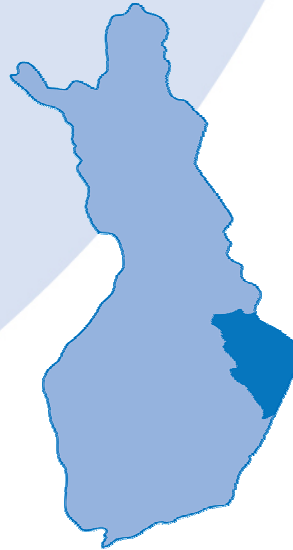
Tourism

Inhabitants

All these activities support each other but their justification and operational principles are different!

Joensuu Region

- 116 400 inhabitants
- 6 municipalities
 - Ilomantsi
 - Kontiolahti
 - Joensuu
 - Liperi
 - Outokumpu
 - Polvijärvi



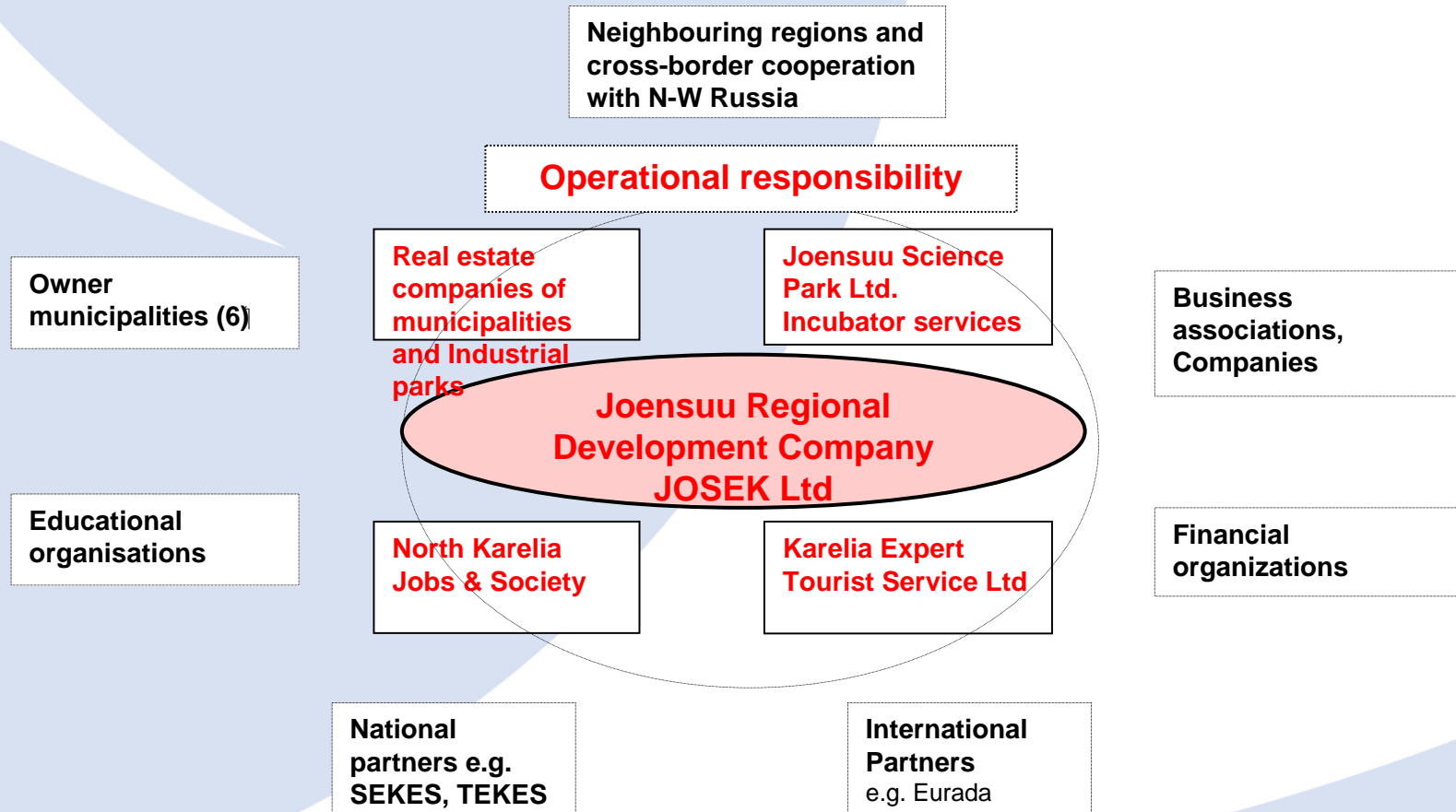
Joensuu Region – Steps in Business Development

- Different feasibility studies in 1996-1997
- Establishment of Centre for Regional Business Development in 1998 (Joensuu)
- Establishment of JOSEK Ltd in January 2001, 7 municipalities as owners
- Hiring of Managing Director and Assistant, Summer 2001
- Preparation of regional business development programme and Regional Centre Programme and preparation of agreements with municipalities for transferring of business development to JOSEK, Autumn 2001
- Up-dating regional business development programme. Autumn 2003
- Ilomantsi municipality became an owner of JOSEK, doubling of share capital and new board 7 members (3 mayors/experts of municipal sector and 4 entrepreneurs), Spring 2005
- New regional business development programme for 2007-2010
- Juuka municipality becomes on owner of JOSEK in 2010
- New strategy and regional business development programme

Josek Ltd. In Brief

- Responsible for regional business policy and development, business counselling as well as marketing of the region
- 21 experts specialized in development of selected business sectors and companies
- Turnover 5,5 million euros in 2009
- Location in the Joensuu Science Park
- Member of EURADA, SEKES and many national and local associations

Structure of regional development: case Joensuu region



Creation of regional innovation and business development community: case Joensuu Science Park



Joensuu Regional Development Company Ltd

case Joensuu Science Park

Joensuu Science Park Ltd.

Business incubator services

Real estate and office services

Innovation services

Business Development services for ICT and manufacturing companies

Enterprises (about 100)

Programmes and projects

Centre of Expertise Programme of North Karelia

Nanotechnology

- Photonics, material and precision technology

Housing

- Wood and composites in construction, Concepts for district level construction, Energy efficiency in construction and housing

Forest Industry future

- Forest resources management, Natural fiber composites and wood technology.

Energy technology

Procurement and logistics of energy wood, Production of biofuel, Business models in wood energy business, Energy systems and efficiency in housing

Joensuu Regional Development Company JOSEK Ltd

- Regional business development programme
- Business counselling
- Marketing of the region
- Regional Centre Programme

City of Joensuu

- Projects

North Karelia Education Federation

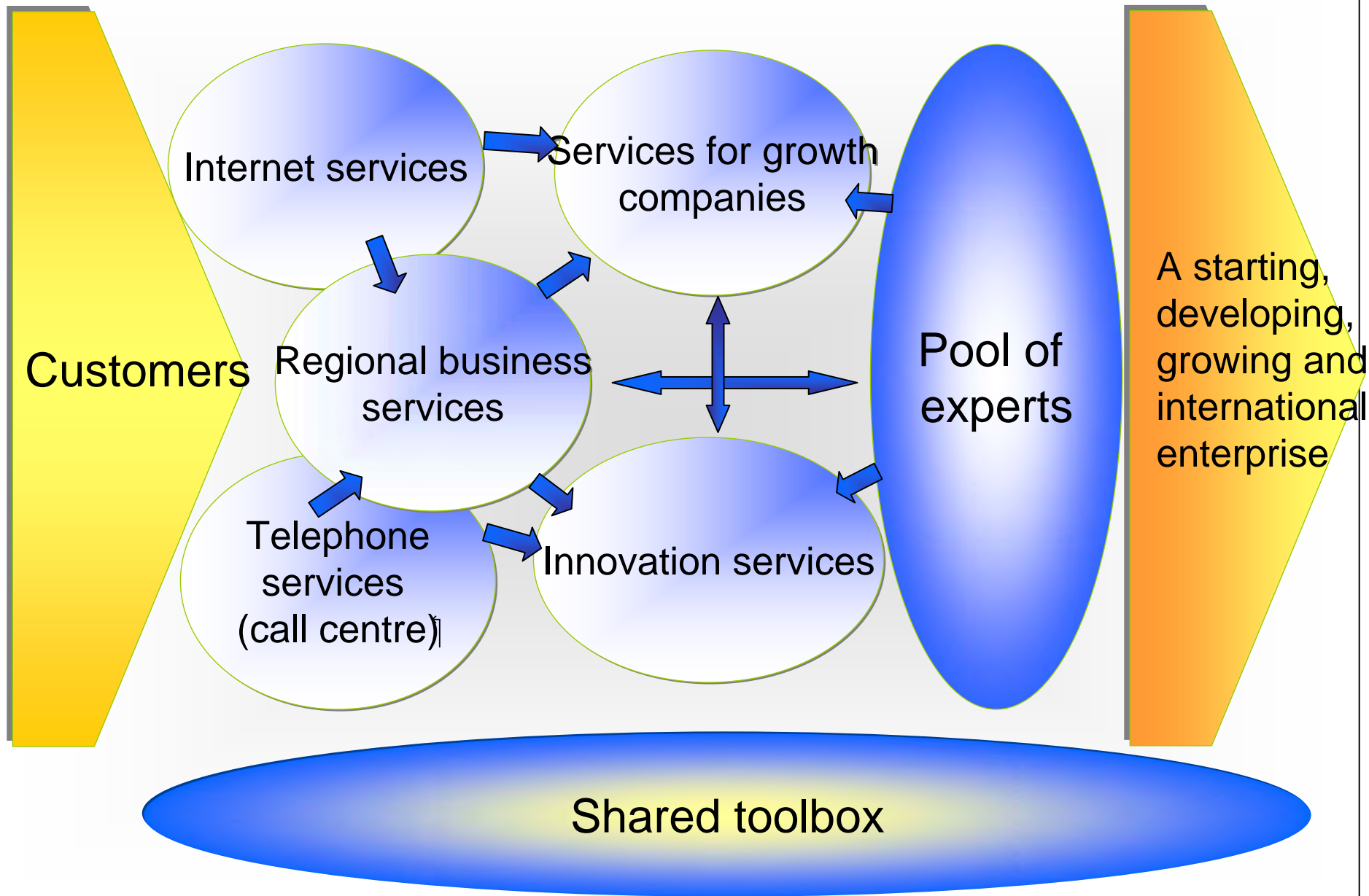
- Projects

University of Joensuu

- Department of IT technology
- Laboratory of biotechnology
- Centre of Education technology
- InFotonics Centre (diffractive optics)

-North Karelia University of Applied Sciences

- Cadimef studios
- Adult Education
- Education of Communication skills
- Education of IT technology



Cities on the Move: Joensuu & Petrozavodsk project

- **Targets**
 - Establish business development agency in the city of Petrozavodsk in cooperation with Josek Ltd. and city of Joensuu
 - Benchmarking of Josek and other regional development agencies in Finland
 - Promote marketing of both cities/regions
- **Financing:** EU's Interreg/Tacis- programme, cities of Petrozavodsk and Joensuu, Josek Ltd
- **Project management:** Josek Ltd
- **Start-up seminar** Dec. 4, 2007
- **Closing seminar** Nov. 25, 2009
- **We hope that the good cooperation will continue in both directions!**

Thank You!

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