

# Action plan for Regional Working Group on Investments and Economic Cooperation (RWGIEC) 2011-2013

## 1. Background and mandate

The cooperation in the Barents Region is based on the principles drawn up in the Kirkenes Declaration on 11<sup>th</sup> January 1993. Investments and economic cooperation in the form of trade, investment, industrial cooperation, etc. was recognized as important mechanism for increased economic cooperation in the Region. It was agreed upon to explore ways and means to encourage trade and investments and to provide a framework conducive to broader cooperation on a commercial basis at the enterprise level.

Based on the desire to revitalize the Regional working group on Investments and Economic Cooperation (RWGIEC), the Barents Regional Committee, in its meeting in Tromsø on 10<sup>th</sup> of June 2010, formally appointed Mr Kjell Hjelm from the Norrbotten County in Sweden as the new RWGIEC chairman for a two year period. The members of the working group should comprise representatives from all member regions and have experience from business life.

*Members of the RWGIEC are:*

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*The mandate of the RWGIEC is 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 in 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 programs.

During the first meeting of this working group, held in Luleå 11<sup>th</sup> April 2011, the members agreed to restrict the mandate of this workgroup. It was a general opinion among the members that the mandate in its present form was too extensive and that the financial side also could be a challenge. Consequently, the working group found it important to concentrate on just a few of the above directives (**along with a transparent budget implication?**) in order to achieve good results. Therefore a decision was made to prioritize two of the above mandates, and an additional issue considering universities, during 2011-2013. The working group will then continue working with the other directions in forthcoming years.

## **2. Aim and objectives**

### ***The overall aim***

The overall aim of this work group is to develop a multilateral cooperation and business climate among the member regions that is productive and progressive for the SMEs. (**This is an example of an expected outcome in the end and is thus a measurable aim**)

In order to increase the economic growth in the Barents Region we need to emphasize both long and short term issues. This action plan therefore involves choices focusing on the most urgent problems resulting in long term possibilities. The chosen directions are thus future oriented measures which can be implemented within a reasonably short period of time.

To reach the overall aim we need to focus on:

- (a) engagement in cross-boarder difficulties in order to encourage enhanced cooperation among the SMEs,
- (b) arranging meetings between administrations and business life, especially in the area of Arkhangelsk, and
- (c) reaching out to the universities since the academia is an important node in the development of SMEs.

**(This is the agreement from the meeting in Luleå 11<sup>th</sup> April 2011)**

Swedish and Finish companies have the past few years been rather cautious when it comes to expanding their businesses towards Russian markets. They aim instead at the Scandinavian and European markets. Time consuming trips and inconvenient detours represent, at current stage, a considerable obstacle in launching a broader cooperation with Russia. We need therefore to overcome these technicalities in the most efficient way. Since it seems difficult for SMEs by themselves to get establish on the Russian market we need to encourage them to cooperate in a larger extent. This is important because there is a huge economic potential in launching closer cross border cooperation, especially on energy issues.

In addition, to be able to develop well functioning cross boarder cooperation we need to focus our efforts on arranging meetings between local administrations and the business sector, as well as business-to-business meetings linking companies in the region. Contacts are vital for business cooperation and development of future collaborations. In previous years it seems that a lot of attention has been concentrated around Murmansk, but it is equally important to assess business opportunities in Arkhangelsk and other parts of the Barents region. This region is, however, quite large and we need thus to focus on one destination at a time in order to develop good administrative procedures and business settings. We have chosen to focus on the Archangelsk area to start with.

Finally, we see the universities in the Barents region as important driving forces in the development of investments and economic cooperation. In collaboration with universities and companies in the region we are able to progress innovation and commercialization processes.

***The objectives (things that we can measure to see if we achieve our aim)***

To achieve the overall aim we need measurable objectives, and the objectives of our work within RWGIEC during 2011-2013 are:

- to initiate more cooperation between SMEs in the region,
- to smooth the progress of cross boarder cooperation (how do we do this?)
- to arrange meetings between companies and administrations
- to arrange business-to-business meetings
- to establish contacts between universities and SMEs

To achieve our objectives;

- Which conditions should we provide?
- Which resources should we collect?
- Which skills should we develop?
- What knowledge should we acquire?
- Is there anything significant we should achieve before we can reach our goals?
- Are there any limitations?

These objectives will be realized by the means of a working plan below.

### **3. A working plan.**

Write down all actions/activities we may need to take to achieve our goal, including a time span schedule.

Look at our list of actions. What are the absolutely necessary and effective steps to achieve our goal? Mark them somehow. After that, what action items can be dropped from the plan without significant consequences for the outcome? Cross them out.

Organize our list into a plan. Decide on the order of our action steps. Start from looking at our key actions. For each action, what other steps should be completed before that action? Rearrange our actions and ideas into a sequence of ordered action steps.

In order to initiate more cooperation between SMEs in the region, we need to collect information about SMEs in the region, the companies' requirements and need for cooperation, and their desire of future partners. This will be carried out by the group members in each region, and then compiled and distributed to the working group by Företagarna in Sweden in the end of 2011.

To smooth the progress of cross boarder cooperation we need to gather legal and administrative procedures from each country. There is a lack of information, especially regarding Russia and their business conditions, and this might become quite a challenge for smaller companies. Studies of relevant national legislation and existing practices could thus, in a concise and easy-explained form, serve as a guide for SMEs desiring to expand their businesses abroad, especially to Russia. Such guides could, if time and finance allow, be further translated into all four languages and distributed. Collaboration with the universities in the region in form of a student project could accomplish this task.

Another important activity to promote cross boarder cooperation is to arrange meetings between companies and administrations in each country. In this way we facilitate the necessity of important contacts and information. Arrangement of this kind of meetings will thus be held at least once a year in each member region.

To facilitate cooperation between the SMEs in the region we need to arrange business-to-business meetings. The purpose of these meetings is to facilitate new contacts and new business opportunities, and will be held at least once a year in each member region.

Finally, to promote innovation and commercialization we will establish contacts between universities and SMEs. At least once a year in each member region we will gather academics and business leaders to discuss creative ideas and development of business ideas.

(We could have a more detailed working plan (including the budget) within the working group, which is not published on BEAC, so we can monitor if we are achieving our aim and objectives.)

Activ./time	sep-11	dec-11	mar-12	jun-12	sep-12	dec-12	mar-13	jun-13	sep-13
information	X	X	X						
legislation			X	X	X	X	X		
meetings			X		X		X		X
b2b		X		X		X		X	
Univ.contact		X	X	X	X	X	X	X	X

At every RWGIEC meeting:  
 Monitor the execution of our plan and review the plan regularly. How much have we progressed towards our goal by now? What new information have we got? Use this information to further adjust and optimize our plan.

The progress of the planned activities will be discussed and evaluated recurrently at regular meetings. At these meetings we will also look into new project ideas and proposals.

**4. Major challenges and future plans**

What constraints do we have, like the limits on time, money, or other resources?

**5. Budget/Funding**

If possible, attach an economy plan to the total action plan, or in addition to each activity.

RWGIEC will finance its activities by .....