

JOENSUU REGION

Business and Technology

| 2 • 2006 |

Metal industry in the Joensuu Region is in full swing

What makes an operating environment attractive?

Pages 4-5

The Welding and Machining Centre trains top experts **Pages 6-7**

Contract manufacturing fuels the growth of Rakennustempo's net sales **Page 7**

Hotel renovations that respect traditions
Page 9

Tecwill Oy sells concrete mixing plants to Siberia
Pages 16-17

The Winter School takes students to Russia
Pages 16-17



International investments generate growth in the region

There is good reason to call Joensuu Region a winner in the globalisation stakes. Major international investments have been made in the region. Globally operating companies appreciate the region and want to concentrate their product development and production here.

Foreign investments are made for the long term. Large international companies look for growth and an operating environment with potential for greater profit.

John Deere and Abloy are good examples: each Group's Joensuu unit is among the best in terms of profitability. The recently held World Investment Conference even nominated John Deere's Joensuu factory as the best investment in Europe. Deere's success

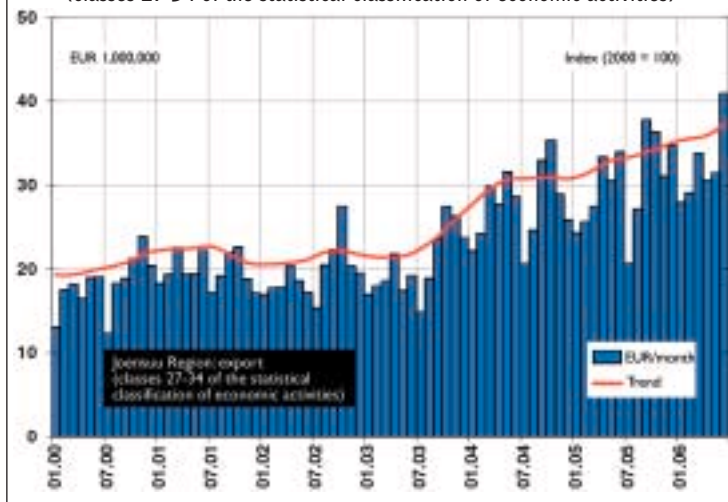
has been boosted by the company's strong forestry research and education and the diverse services provided to the company and its subcontractor network by expert organisations. The success of Abloy has been boosted by the company's staff stability, commitment and special expertise.

Not just major corporations in Joensuu have achieved growth and success. The Joensuu region is a good operating environment that also provides small and medium-sized enterprises with profitable business opportunities. We can be proud because the region's SMEs rank highest in Finland in terms of solvency ratio. The companies' success and confidence in the future have generated a positive growth cycle. The region's development has

attracted service sector investments and has brought about a real construction boom. Joensuu Region is now experiencing a phase of strong growth.

The proximity of the Russian border makes the local operating environment particularly interesting. Joensuu Region is located close to the rapidly expanding Russian markets. We have solid Russian expertise and strong contact networks across the border. Joensuu Region is a viable base for foreign organisations to invest in Russia: they can establish a marketing and development unit in Joensuu Region and shift a part of their production to the Russian side of the border. Companies that are able to utilise the Russian market are also able

Development of export in Joensuu Region from Jan 2000-June 2006
ENTIRE METALS INDUSTRY
(classes 27-34 of the statistical classification of economic activities)



Economic review

- a positive trend continues in the metals industry

Joensuu Region does well in many respects. The development of exports in the metals industry has been particularly favourable compared to the other parts of the country. Exports of metal products increased more than 22% between January and June of this year. The metals industry has experienced a positive trend in exports for a long time, with the value of exports almost doubling over the past three years.

According to Statistics Finland, Joensuu Region saw the biggest growth in net sales in the first half of 2006 in construction, which grew by almost 13%. Other strong growth sectors include the manufacture of mineral products, research and development, the processing industry, the entire metals industry, and the manufacture of metal products. These sectors have grown by approximately 10%.

European Championship excited people in Joensuu



Thousands of people celebrated runner **Jukka Keskisalo** and his historic European Championship win in the Joensuu Marketplace in August. The champion commented on his winning run, which was relayed over a video, and gave autographs. Jukka Keskisalo's victory in men's 3000m steeplechase in Gothenburg was Finland's first ever European Championship win in a long-distance steeplechase event. The City of Joensuu has sponsored Keskisalo's career for five years. The City presented Keskisalo with a building plot and a EUR 2,000 grant for his achievement.

to expand their operations on the Finnish side of the border.

Thanks to its location between Russia and Europe, Joensuu Region also provides an efficient operating environment to Russian companies and investors. Among factors that make the region attractive are skills and knowledge, high technology, people and the environment. Joensuu Region also maintains soft values: a high quality of life and friendliness of people. Welcome to a viable environment in which your company can develop and grow!

Keijo Mutanen,
Managing Director, JOSEK Ltd



Fodesco's new production unit meets the needs of international markets

Fodesco Oy is expanding its production in Lehmo, Kontiolahti, where the company has operated for four years. The expansion creates more jobs and brings new technology to the area. The company has previously carried out marketing, sales, warehousing and design in Lehmo, whereas production has taken place in Russia. However, the Russian production goes to satisfy the needs of the growing Russian market. The new high technology production unit in Lehmo was built for markets outside Russia.

Fodesco aims to create a globally competitive production unit in Lehmo. The company manufactures components for moulds and cutting tools for the plastics and metals industries. Fodesco's major customers operate in the toy industry, telecommunications sector, and the production of consumer goods. The company's products are exported to almost all continents. It currently employs 13 people in Finland and 70 in Russia.

Fodesco's products include standard components for moulds.



Table of contents:

Leading article and news	2-3
The market, the expertise and the environment attract foreign investors	4-5
An innovative learning environment creates top experts.	6-7
Finnish expertise in sheet metal manufacturing.	7
Dream location: centre of the town	8
Hotel renovations that respect traditions	9
The pleasure of constructing in Joensuu.	10-11
Businesses believe in Joensuu's buying power	11

EFI to conquer the Mediterranean forests	12
Promoting bioenergy.	13
A model region for wood energy.	14
Waste is full of hidden energy.	15
Russia – a country with potential.	16-17
Concrete mixing plants to Siberia and large cities . .	16-17
Koli attracts Russians	18-19
Oasis becomes home to IQlink	19
The Winter School takes students to Russia.	20
Academic education crosses the Russian border	21



John Deere's forestry machine factory in Joensuu is a good example of the area's attractiveness, state the Managing Director of Invest in Finland, Tuomo Airaksinen, the Factory Manager of John Deere, Martti Toivanen, and the Managing Director of JOSEK, Keijo Mutanen, in one voice.

The market, the expertise and the environment attract foreign investors

International companies arrive in Finland looking for profitable business opportunities. The key selling points of Joensuu Region include the nearby markets, the skills and knowledge and the pleasant living environment. All of this is based on close cooperation between the region's players.

According to **Tuomo Airaksinen**, the Managing Director of Invest in Finland, foreign investors usually look for strong growth. They are attracted to Finland because of its markets and, in particular, the markets of the neighbouring regions.

"Companies establish a unit in Finland in order to carry out business in Scandinavia, the Baltic countries and Russia. Often the

safest way to proceed is first to create a unit in Finland and then expand business operations to Eastern Europe. Joensuu Region's location next to the Russian border provides good opportunities for this," explains Airaksinen.

Technology and networks attract top companies

International companies appreciate skills and knowledge. Finland's high educational standard and technology are well recognised globally. According to Airaksinen, Joensuu Region's strong expertise clusters attract top companies in their fields.

"There are for example companies operating in Joensuu Region that have comprehensive knowledge of the forestry technology, the manufacture of forestry machines and equipment, logistics, and bioenergy. Investors

are particularly interested in extensive networks of operators who support business and include subcontractors, producers, research, education and training establishments, and skilled employees," explains Tuomo Airaksinen.

According to **Martti Toivanen**, the Manager of John Deere's Joensuu factory, the establishment of John Deere's forestry machine factory and customer service centre in Joensuu was a good example of the region's attractiveness.

"The decision to locate the factory here was based on the fact that Joensuu was more professional and efficient than the other locations considered. In addition to the thriving domestic and East European markets, the local operating environment supported the establishment of the factory in Joensuu. The location of expert

forestry organisations close by and suitable services of various educational and training establishments were contributing factors in deciding the factory's location.

"The City of Joensuu and other local players joined in the efforts to secure the production for Joensuu. The region's different development companies have assumed an important role by participating in the creation of a subcontracting network for the company. Joensuu Science Park and the region's comprehensive education and training services actively supported the company when the factory introduced new production technology," explains **Keijo Mutanen**, Managing Director of the Joensuu Regional Development Company, JOSEK Ltd.

Mutanen considers that high technology attracts an increasing number of international companies to Joensuu Region.

"Educational establishments and companies carry out award-winning research and have expertise in nanotechnology, photonics, optics, and micro machining technology. There is future potential also in the development of component production and related production cooperation in Russia, new material combinations, and bioenergy. Of course, good service sector

companies also operate in the region," Mutanen points out.

"The increase in the price of raw materials has made the mining industry more attractive to investors, and tourism is also seen as an opportunity. Operations in these fields require major investments, however, and the opportunities to obtain financing from Finland are limited. For this we need foreign investors," Mutanen continues.

The living environment commits employees

According to Tuomo Airaksinen, even the smallest factors can make a difference when a large company makes decisions on where to locate its operations; soft values must not be overlooked.

"The living environment must be attractive, because it helps commit employees to the workplace. The quality of life is high in Joensuu Region, whether you compare it to Central Europe or the Helsinki Metropolitan Area," praises Airaksinen.

"Investment decisions are made at the management level by individuals, who are driven by their preferences. Many people know Finland for its high technology, efficiency and networking, but the natural environment must be experienced at first hand."

"We work hard to ensure that the

decision-makers visit Finland and see different parts of the country. These visits change their opinions and are decisive when location decisions are made," explains Airaksinen.

The investors organise a bidding competition among the regions to help the decision-making and ask the regions to provide what could be described as a tender.

"The list of questions asked in the bidding competition is usually long. Regions that know their strengths and are able to respond quickly do well in the bidding. Players in Joensuu Region have done their homework; they know the fields in which they are strongest. Joensuu Region is well prepared to receive foreign investments," states Airaksinen.

"A region should stand united behind a single message it wants to convey to the rest of the world. The division of roles between the region's different players must be clear. Joensuu Region has succeeded in this, and the good cooperation has already born fruit," Airaksinen points out.

A new model for promoting foreign investments

According to Managing Director **Tuomo Airaksinen**, regional investments have previously taken the shape of projects. However, it takes years to realise an investment, and project schedules are usually too short for this. A continuous, uniform operating model and clear roles between the different players are required.

"We and JOSEK are now starting to prepare a pilot model for a new permanent operating model that could also be introduced in other parts of Finland. The pilot model will be launched next year."

"The objective of the model is to cooperate in order to save resources, enhance productivity and improve the success rate."

Foreign investments are sought with relatively scant resources, so

that networked cooperation has proved to be the only viable operating model."

"Investments are sought by networks that extend from abroad to Finland, down to the local level. Finpro, our partner abroad, looks for foreign investors. In Finland we work in cooperation with regional partners. In Joensuu Region, we are represented locally by JOSEK," Airaksinen describes his network.


"Customers are brought to the region through the cooperation network. All operations focus on the region's strengths. It is easy to start piloting with JOSEK. We can mobilise rapidly because we know Joensuu Region's assets. We have already cooperated for four years on a project basis and have been able to test the new operating model."

JOENSUU REGION

Info

Invest in Finland

Promotes direct foreign investment in Finland. It works in close cooperation with Finnish industry and regional organisations and presents Finnish investment opportunities to foreign companies. Its operations are financed by the Ministry of Trade and Industry.



“We work in close cooperation with the region’s engineering and metals companies,” explains Liisa Hiltunen.

An innovative learning environment creates **top expertise**

The teaching methods and learning environments of the Outokumpu Welding and Machining Centre are highly regarded in Finland. The centre trains experts for companies and provides tailored training. It works as a testing environment for new working methods and a vantage point for the latest technology.

North Karelia’s plastics and metals industry has developed strongly over the past few years and is one of the key areas for regional development. The plastics and metals industry is a technology and labour intensive sector, in which the employees’ expertise plays a major role. Basic vocational qualifications alone are not sufficient; skills and further training based on high technology are required in order to ensure success in the tough competition.

According to Project Manager **Liisa Hiltunen**, these were the reasons for establishing the Outokumpu Welding and Machining Centre.

“We started to develop the Centre a couple of years ago at the initiative of companies operating in this sector. We wanted to safeguard

the operating conditions for the region’s engineering and metals companies by investing in expertise,” explains Hiltunen.

“We have state-of-the-art machines and equipment and our hardware and software have been designed to meet the needs of companies operating in the field. Modern welding robots, five-axle multi-purpose lathes and simulation software provide an excellent testing environment for the development of operations.”

“During the past two years, many companies have modernised their equipment or upgraded their personnel’s skills to enable them to make better use of the existing machines,” describes Hiltunen.

“Metal is sexy”

The Adult Education Centre’s

Outokumpu Unit provides basic education that prepares students for vocational qualifications in the engineering and metals sectors. According to Hiltunen, young people are in an important position in that they ensure the availability of skilled labour.

“The metals industry will continue to provide a good supply of versatile job opportunities. The introduction of new technology requires a greater knowledge of programming, design and simulation skills,” lists Liisa Hiltunen.

“More than half of the jobs require IT skills. The latest



The Centre’s five-axle multipurpose lathes represent state-of-the-art technology.

equipment and software provide an interesting operating environment for young people, and the work can even remind of an exciting computer game. The metals industry has continuously improved its image because metal is sexy," claims Liisa Hiltunen.

"It is important to be properly motivated to work in this field. Employers hope that young people and their parents would visit metals companies and become acquainted

with their work. Student counsellors and study secretaries have made great efforts in schools to make the plastics and metal sector more interesting. Motivated students have the opportunity to become top experts and we want to maintain a high standard of tuition," explains Hiltunen.

According to Hiltunen, both the training organisation and companies operating in the sector are very committed to the Welding

and Machining Centre.

"Both an active approach and networking with universities and international organisations are required in order to attain top expertise. We have potential to become a world leader in this field, particularly in the utilisation of a multi-axle operating environment," enthuses Hiltunen.

Top expertise in sheet metal manufacturing

Contract manufacturing accounts for approximately 75% of the net sales of Rakennustempo Oy, a metals industry company that operates in Joensuu and Pyhäselkä. The company specialises in high-quality, processed sheet metal products, such as fuel and hydraulic tanks and different engine covers.

"We participate in the product development work and projects of our principals. They have helped us to hone our competitiveness to a top level," enthuses **Timo Päivänurmi**, Rakennustempo Oy's Managing Director.

The most important customers for which Rakennustempo carries out contract manufacturing include the forestry machine manufacturer John Deere Forestry Oy, Rocla Oyj, which specialises in materials handling, and Kalmar Industries Oy Ab, which is a part of the Kone Group.

Päivänurmi calculates that the company's net sales for contract manufacturing have grown by some 60% during the past 12 months. Strong growth will continue, thanks particularly to the forestry machine manufacturer Deere. Cooperation with Deere is also easy because Rakennustempo has production facilities right next to John Deere Forestry's factory in Joensuu.

"Deere is like a big brother to us; it has provided us with expertise and even resources when we were in the process of developing our

operations and competitiveness."

Rakennustempo's own products include the Tundra Grill fireplace and the Joonas berry harvester. The company's own products account for 25% of its net sales.

A good atmosphere and job satisfaction

Rakennustempo, established in 1978, employs approximately 60 people. The company pays plenty of attention to the job satisfaction and commitment of its employees. A total healthcare package is currently being created for the personnel and their families.

"I have two children myself and know that when your regular working day for the company has finished, another working day at home is only just beginning. We want to help our employees by ensuring that they do not have to queue to see a doctor if their child has a temperature, for instance," Päivänurmi justifies the company's plans.

"We are also in the process of negotiating many other fringe benefits for our employees, varying



Managing Director Timo Päivänurmi (on the left) and welder Harri Tahvanainen examine the welded seam of a hydraulic tank. 26-year-old Tahvanainen has worked at Rakennustempo for three years.

from discounts for grocery shops to discounted consumer goods."

According to Timo Päivänurmi, the pay is naturally important, but it is not the only way of committing the employees to a workplace.

"A good package would consist of the right kind of atmosphere in the workplace, job satisfaction, and different kinds of fringe benefits."

Dream location: centre of the town

Joensuu is experiencing a building boom.

Competition over unoccupied building plots is fierce and investors want to secure profit quickly. The centre of the town develops rapidly and continues to be the dream location for many construction companies.

According to Erkki Nordström, the centre of Joensuu will continue to attract investments in the future.



According to **Erkki Nordström**, who works as Project Manager at YIT Construction Services, investment decisions are always made on a case-by-case basis.

"We analyse and calculate the profitability of investments carefully. The attractiveness of the area in question naturally has an impact on the expected profit. We do not favour any specific areas in Joensuu,

but the centre of the town, which is covered by the grid plan, is of course the preferred location for builders," admits Nordström.

"I believe that investments in the centre of the town will continue. I think we can be proud of the new elegant urban centre of the town and the increasingly versatile services provided for inhabitants and companies," evaluates Nordström.

"Construction in Joensuu is advancing more rapidly than in the rest of Finland, in ratio to the region's population. The value of the projects commenced in the region last year was approximately 170 million euro. Many projects had been shelved to await a more appropriate time, and that time was now."

"The building boom can partly be explained by the low interest rates, which have increased the demand for owner-occupied housing. The construction of business premises has become necessary because many chain stores have now decided to establish a store in the region. The activities of property owners have also speeded up development projects," lists Nordström.

YIT currently has two construction projects in Joensuu: residential high rise buildings on Torikatu and Eteläkatu in the centre of the town.

"The Housing Corporation Koskikara, which will be completed at the end of February 2007, is our largest ever residential project in Joensuu. The building, which is being built next to the department

store Sokos, will house 65 apartments and three business premises at the street level," explains Nordström.

Renovations are on the increase

YIT's building activities currently focus on the construction of residential buildings. According to Erkki Nordström, the size of the Joensuu economic area means that construction companies cannot specialise.

"Our construction projects are very versatile, varying from new construction projects to renovations. Our order book extends to 5-6 years," explains Nordström.

"The share of renovations is on the increase in Finland. The value of Finland's construction business in 2005 was 22 billion euro. Of this, 17.7 billion euro came from residential construction, and this sum can be further divided into new construction (10.2 billion euro) and renovations (7.5 billion euro)."

"I believe that construction volumes will take a slight downturn in two years' time, although I wouldn't describe the trend as fading. Construction has reached its peak in Joensuu and there has been a sufficient supply of labour, at least so far," adds Nordström.

"Employees in Eastern Finland are skilled and hard-working. I have also been pleased to note that young people are interested in working in the construction sector."

According to Kristian Ikonen, the renovated guest rooms can be characterised by individuality and a high quality. For example, a different picture was commissioned for each room.



Hotel Karelia, owned by the Ikonen family, has undergone extensive repairs. The rooms and restaurant facilities of this hotel, which is located along the pedestrian street in Joensuu, were completely revamped with respect for traditions and the historic setting.

Hotel renovations that respect traditions

According to hotel manager **Kristian Ikonen**, Hotel Karelia's history determines largely what it is today.

"Before the repairs commenced, we discussed the traditions and all the tried and tested solutions that we did not want to give up. We are known for our individuality and customer service and have taken a positive step back. For example, the coatroom was transferred to the ground floor where it once used to be, and the lounge bar was relocated to the back of the room," explains Ikonen.

"We wanted to be faithful to the hotel setting. The hotel is located in the renowned Teräskulma building, which was Joensuu's first stone building on five floors, and the first one with a lift. This functional building was purpose built, and we have implemented the renovations respecting the original design," Ikonen continues.

"We started the renovations from the restaurant and the kitchen and built a long-awaited cabinet for private functions and meetings

alongside these two. Since the completion of the guest rooms in March, we have modernised the downstairs lounge bar, lobby and reception room. The hotel now provides modern information technology, with the entire building covered by a wireless local area network," notes Ikonen.

"This was the first extensive renovation project during the entire history of our family business and we are extremely happy with the end results. For us, having local flavour is a resource and we therefore made a conscious decision to use local builders for the construction work as far as possible," Ikonen points out.

The development of the centre of the town brings more customers

Kristian Ikonen considers Joensuu a vivid regional centre that attracts increasing numbers of inhabitants and businesses. This trend also increases the hotel's customer base.

"It is natural to develop the centre of the town because it is where the culture and businesses of Joensuu

are. Modernisation increases the public's demand and makes the town a more pleasant environment in which to live. As service provision improves, people want to spend time in the centre of the town," Ikonen considers.

"The pedestrian street is a key attraction for us. We want to be actively involved in the development of the centre of Joensuu. We are long-time supporters of the Joensuu Town Centre Society's activities."

"The renovation project was an important investment in the future of our family-run business, and the hotel renovations are a part of the change-of-generation process that we are currently implementing. Now that the framework is in order, we can focus on our business and its development," concludes Ikonen.

The pleasure of constructing in Joensuu

Ari Laamanen, Managing Director of the construction company Rakennusliike A. Taskinen, is a busy man. Various construction projects are underway in Joensuu. A 14-floor residential building is being built by the river as a new landmark.

Tähtitorni, a 14-floor residential building is being constructed in Penttilä by Ari Laamanen's company.

According to Managing Director **Ari Laamanen**, Joensuu Region is a good place for investment and construction. This is largely attributable to the cooperation between different players and confidence in the region's future and positive development.

"All the partners in Joensuu seem to share the same willingness to develop the region. Cooperation has been smooth both with the authorities and private persons. I have been astonished to find out how much I enjoy work these days," quips Laamanen, laughing.

"A climate of openness and confidence prevails in the region, to the point of not needing to record in writing everything that has been agreed. Furthermore, the region has skilled employees with high work ethic," Laamanen praises.

Managing Director Ari Laamanen considers that construction companies are required to be increasingly innovative and brave to diverge from traditional construction methods.

"We want to be in on the development and experiment with new things. The construction of the new building for Metla, the Finnish Forest Research Institute, is a good example of our approach. Wooden construction is often considered risky, but we accepted the challenge and succeeded," states Laamanen.

"All construction projects are

different. The ratio between new construction and renovation projects varies from one year to the next; for example, we are currently working on several school renovation projects, whilst maintaining an overall focus on residential building," explains Ari Laamanen.

Integrated development means continuity

Construction business is traditionally cyclic and the winter brings further challenges to the timing of construction projects. There is fierce competition over the best building plots, and investments span several years.

"We are interested in integrated development, because it brings continuity to our operations. Working over an extended area and building several houses in the vicinity gives us the opportunity to test different solutions," explains Ari Laamanen.

"Building concurrently also improves efficiency, because the same designers, employees and subcontractors work on the project."

"We aim to stand out from other construction companies in that our order book extends further, even to 8-10 years. Continuity makes it easier to develop the company and its personnel," explains Laamanen.

According to Laamanen, the Penttilä residential area and particularly the current construction project of Tähtitorni residential building are the most interesting examples of integrated development.

"The Tähtitorni building is special in Joensuu because of its height, 14 floors. In addition, Penttilä provides a unique opportunity to live by the river near the centre of the town. The development is, therefore, designed with superior quality structures and materials," describes Laamanen.

"Vehkalahti will be a completely new concept for us in the future. This important development project will commence in a couple of years and will consist of detached, semi-detached and terraced houses for more than 100 families," reveals Laamanen.

Businesses believe in the region's buying power

Business premises are being built at an ever increasing pace – the current lack of customers does not worry investors.

Construction of business premises has taken a dramatic upward turn in Joensuu over the past few years.

"Tens of thousands of square metres of new business premises have been or are being built in Joensuu. This is more than we originally expected," describes **Juha-Pekka Vartiainen**, the Town Planning Manager.

According to Vartiainen, the building boom was preceded by a quiet period in the last decade.

"The 1990s were a quiet period in terms of construction business. The accumulated needs are now being met," estimates Vartiainen.

Finland's largest Prisma hypermarket

Joensuu's Prisma will be extended in 2008 to make it Finland's largest Prisma hypermarket. The extension project that commences this winter will increase the hypermarket's floor area from 15,000 m² to a whopping 26,000 m². This is the largest individual project carried out by North Karelian Cooperative Society PKO.

"Every other milk carton that is bought in Joensuu is bought from us, but we still have room for improvement in the consumer goods sector. We also want to increase our future attractiveness," explains **Heikki Hämäläinen**, Managing Director of North Karelian Cooperative Society.

Investing in a developing area

The new Carlson department store is being built in the centre of Joensuu. The store's floor area will be approximately 5,000 m². The building will also include a warehouse and car park, and offices that will be leased out to third parties.

"Construction is an expensive investment, but the decision was made to extend this almost 150-year-old company as the result of long-term planning and careful calculations. The investment can be justified by the development of Joensuu Region and the buying

power of the local people," clarifies **Hannu Koponen**, who runs the department store in Joensuu.

This is the optimum time for construction investments in Joensuu.

"Old business premises have had their day, and the town's planning activities also encourage construction. The University of Joensuu and the other educational establishments have a long-term impact on construction, because the students and the personnel help guarantee that there will be sufficient buying power in the town."

According to Hannu Koponen, Manager of the Carlson Department Store, due to open in the spring, location is of prime importance to a department store.





Photo: Saku Ruusila

Catalonia has funded the work of Antonio Trasobares, José Ramón and Marc Palahi at Joensuu. All three men have completed their doctorate studies at the University of Joensuu.

EFI to conquer the Mediterranean forests

The Barcelona office will carry on the fruitful partnership between Joensuu and Catalonia in forest research.

The first regional office of the leading European forest research network will become operational in Barcelona. The European Forest Institute's (EFI) local project centre will become a fully-fledged member of the network.

Marc Palahi from Catalonia, who obtained his PhD at the University of Joensuu, has been in charge of preparations together with EFI. While he was living in Finland, he already co-ordinated forest co-operation between EFI and Catalonia.

"I believe that the regional office will improve forest research in the Mediterranean area and improve awareness of the special features and problems of our forests. For EFI, the regional office will put it in direct contact with Mediterranean forest issues," says Palahi.

The Joensuu model

The European Forest Institute already plays an important role in many countries thanks to its seven project centres. With this new regional office, EFI, based in Joensuu, will become even more visible and will show that it works for the good of the whole of Europe.

"The regional office aims to co-ordinate and market meaningful

high-quality research into Mediterranean forests. It will help regional researchers and research organisations to build up networks," says Palahi.

As Joensuu and Catalonia have worked together in forest research for seven years now, the province of Catalonia was a natural location for EFI's first regional office. Catalonia has funded its representatives' work and studies in Joensuu, and, according to Marc Palahi, has significantly benefited from the partnership.

"The methods and tools developed at the University of Joensuu have been successfully implemented in Catalonia. During the past five years, Catalan and North Karelian researchers have jointly authored more than twenty publications.

Learning from the Finns

Marc Palahi moved to Joensuu in 1998 and began co-ordinating the partnership between EFI and Catalonia one year later.

"EFI was an example for us in many ways. Besides research, we learned a lot from EFI's strategic development and working methods.

Palahi says that during his time in Joensuu, he learnt a lot about forest

research as well as about life.

"I found myself in North Karelia. I even met my wife there. I think we Catalans could learn a lot from North Karelians. We are very diplomatic, but sometimes unnecessarily artistic. I admire the innovative, research-oriented attitude of the Finns.

Turkey has signed the EFI convention

Turkey has ratified the European Forest Institute convention, the twelfth country to ratify it so far. These twelve countries have the highest decision-making powers as regards the work of the institute.

So far, the convention has been ratified by Bulgaria, Spain, Austria, Croatia, Romania, Sweden, Norway, Germany, Slovenia, Finland, Denmark and Turkey. The EFI council, in which these countries are represented, meets every three years. Finland holds the chair until 2008. The EFI is based in Joensuu.

Promoting bioenergy

The Baltic regions join forces in the Baltic Biomass Network.

North Karelia is a member of an international network which works in many ways to promote the use of bioenergy. The natural resources in the Baltic area strongly point towards the use of bioenergy. However, there is not enough information about the bioenergy potential of the region, and the logistics and infrastructure required for biomass production are insufficient.

“The aim of the Baltic Biomass Network (BBN) project is to optimise the production, harvesting and transport of biomass and to plan the implementation of long-term bioenergy investment projects,” says Regional Planner **Pasi Pitkänen** from the Regional Council of North Karelia.

Bringing bioenergy to the public attention

Geographical systems are used in the planning process. Geographical databases help chart biomass reserves and places of use.

“We can estimate the potential for increasing the use of bioenergy in each area. We map and plan future bioenergy landscapes,” explains Pitkänen.

In addition to concrete plans, BBN aims to create networks that promote the use of bioenergy and make it better known. Information is provided to decision-makers, the public and land-owners.

“The exchange of information and practices at international level is most important. We have created a uniform database structure for geographical information that can be utilised by one or more users. We also organise several seminars

and conferences every year. We can exploit the expertise of several countries, regions and companies.”

Plenty of raw material

As a result of the three-year Baltic Biomass Project, the bioenergy potential of North Karelia has been charted and know-how, expertise and new opportunities have been acquired.

“We have learned from others and we have passed our knowledge on. In the pilot municipalities of Eno, Polvijärvi and Ilomantsi, citizens are encouraged to use bioenergy,” says Pitkänen.

There still remains plenty of hidden bioenergy potential. Bioenergy is almost totally used to produce heat in North Karelia and the region is a trailblazer in Finland in this respect. However, North Karelia still has plenty of room for improvement in electricity and fuel production.

“Fields, for example, are an almost infinite source of raw material for bioenergy. North Karelia has up to ten thousand hectares of fallow fields,” concludes Pitkänen.

Regional Planner Pasi Pitkänen says that North Karelia has plenty of hidden bioenergy potential.

Baltic Biomass Network

Partners: regions in Germany, Poland, Lithuania, Latvia, Estonia and, from North Karelia, the Joensuu Regional Development Company JOSEK Ltd. and the Regional Council of North Karelia.

BBN co-operates with local authorities and biomass producers and investors.





A model region for wood energy

The North Karelian bioenergy strategy sets out to export expertise, technology and energy wood.

North Karelia is the international leader in bioenergy expertise. Wood energy plays a key role in the North Karelian bioenergy strategy for 2006-2015.

"The strategy comprehensively defines the present state of bioenergy. Additionally, it lists objectives and measures and assesses impacts," says senior researcher **Timo Tahvanainen** from the Forest Research Institute.

Great opportunities

The demand for bioenergy technology is expected to grow strongly all over the world. North Karelia plans to be up front with its offer of expertise. North Karelian

engineering firms manufacturing machines and equipment for harvesting and handling energy wood, such as John Deere, Kesla, Antti Ranta, Mantsinen and Pentin Paja, are already at the cutting-edge of world technology. The companies NunnaUuni and Tulikivi and the Wenet network, transferring technology and know-how, are also contributing to the success of North Karelia. Even the ashes generated from energy production can be reused as fertiliser thanks to the solutions invented by FA Forest Oy.

"The greatest potential lies in processed biofuels and energy production as part of the forest

Senior researcher Timo Tahvanainen from the Forest Research Institute describes North Karelia as a model for wood energy.

industry. Service and business concepts, such as heating and consultation, can be productised," says Tahvanainen.

Wood energy from industry

2004 statistics reveal that over 60 percent of the energy consumed in North Karelia is bioenergy, most of it produced from wood. Half of the wood material used for energy is black liquor from the pulping process. The next most important wood materials are solid industrial by-products, such as bark and sawdust.

"The use of logging residue, stumps and small-diameter trees could be increased considerably, even threefold, in the next ten years," estimates Tahvanainen.

If the production of energy wood increases according to national objectives, North Karelia will not be able to use all the logging chips produced in the area.

"The aim is to sell energy wood outside our region in the form of pellets, liquid fuel and bioelectricity," Tahvanainen says.

"We now need to invest in sustainable energy production and the optimisation of expertise in order to open up opportunities for exporting our technology and know-how."

The University of Applied Sciences exports bioenergy know-how

Bioenergy plays an important role in teaching and development activities at the North Karelia University of Applied Sciences. The emphasis lies both on developing wood fuel procurement and producing heat from wood fuel, and on entrepreneurship.

"A new degree course in bioenergy technology will begin in 2007. A post-graduate degree course will also be available. These degrees will be unique in Finland. We are truly on the cutting-edge of

development," says project manager **Asko Puhakka**.

The university deliberately chose to invest in bioenergy.

"At the moment, 6 to 7 people focus on bioenergy in their work. This number will grow to 10 or more over the next couple of years," reveals Puhakka.

"Bioenergy is the future. We have the opportunity to produce energy from our own raw material and to be self-sufficient. Environmental friendliness and new jobs also tip

the balance in the favour of bioenergy. The price is moderate and the money will remain within the region," explains Puhakka.

The North Karelia University of Applied Sciences has become an internationally recognised expert in bioenergy.

"The training we provide is in demand even outside Finland. In my opinion, the secret of our success lies in our highly enthusiastic and innovative team," concludes Puhakka.

Waste is full of hidden energy

**No shortage of raw material
– only a small part of biogas potential is exploited.**

Biogas is continuously generated in nature. The simplest way to produce biogas is to place organic waste inside an airtight vessel. The most common raw materials for biogas are manure, plants and biowaste. Only a small proportion of biogas potential is utilised.

“It took a long time for biogas to be considered as a feasible alternative,” says **Ville Kuittinen**, biogas researcher at the University of Joensuu.

The production of biogas will probably not cater for the entire energy demand of Finland – it is best suited for decentralised energy production. It can create energy supplies in rural areas and improve their vitality.

“Unlike other bioenergy sources, biogas can be produced from waste. Without the production of biogas, the energy potential of biowaste is left unused. Now the waste can be utilised as renewable, clean energy.

An on-farm biogas plant in Kitee

Ville Kuittinen is presently studying the potential of biogas in the Baltic Biomass Network project. His task is to investigate the biogas production potential of North Karelian farms. Farms are very well suited for biogas plants – raw material in the form of manure, clovers and grain are readily available.

“In Kitee, plans are under way to establish a large 500,000 kW plant for the Agricultural College,” says Kuittinen.

Finland is lagging behind as regards on-farm biogas plants – in Germany, for example, there are thousands of these plants.

“At the moment, installing a biogas plant depends largely on whether the farmer is interested in

the idea. We should have an educational establishment providing unbiased information about the issue. The Kitee biogas plant due to be built by the North Karelia Municipal Educational Federation would be a good alternative.”

Best choice for fuel

Biogas is most easily used to produce heat. In Joensuu, thermal power is generated at the Kontiosuo waste station. The biogas is sold to the nearby district heating plant.

The two biogas reactors at the Joensuu city sewage treatment plant

treat 46,000 cubic metres of sludge separated from waste water annually. A third of the energy required by the sewage treatment plant is acquired from biogas produced by the plant. Biogas is an ecological fuel for vehicles as well because it hardly produces any particle emissions.

“Compared with other bioenergy alternatives, biogas is the best choice for car fuel. By growing energy plants, large quantities of raw material can be produced. Biogas can be used as a fuel in mass-produced gas-driven cars,” Kuittinen explains.

Ville Kuittinen studies biogas production alternatives.



Russia

- a country with potential

Россия

Russia has become Finland's biggest trade partner during the past few years. The value of the trade between Finland and Russia has more than doubled since Russia's 1998 economic crisis. According to **Esa Komulainen**, Managing Director of the North Karelia Chamber of Commerce, local companies are increasingly

interested in Russia's growing markets.

"Russia provides many alternatives for companies that are planning to go international and thanks to the proximity of the Russian border, companies based in Joensuu Region have a clear advantage. The number of companies interested in the Russian

market is large, but they clearly need encouragement and support to be able to take the first steps. In 2005, exports from North Karelia to Russia and the CIS countries accounted for 4.4% of all North Karelian exports," explains Komulainen.

"Roads and even entire towns are being built in Russia in areas rich in



Concrete mixing plants to Siberia and large cities

Tecwill Oy sells mobile concrete mixing plants and control systems to all parts of the world. The first contacts with Russian partners were established in 1996 in the St. Petersburg and Moscow regions. Nowadays the company supplies concrete mixing plants to these two cities, to Ural Mountains and different parts of Siberia.

Tecwill Oy has long experience of Russian trade. The company concluded its first deal with Russia one year after starting to look for potential customers.

"We started by establishing contacts with potential customers from Finland by looking up construction businesses in the St. Petersburg and Moscow regions and offering our products by phone, e-mail and fax," reminisces **Janne Tuomikko**, Sales and Marketing Director of Tecwill Oy.

"We sold our first concrete mixing station to Russia in 1997. Trade seemed to get off to a good start, but the collapse of the rouble in 1998 paralysed our exports for a few years," Tuomikko goes on.

"As the economy stabilised, trade slowly picked up again and demand has grown ever since. Our customers include large construction companies and concrete and oil companies. Our exports have expanded from the nearest Russian cities to Ural Mountains and Siberia.

Sales without intermediaries

Tecwill employs its own sales personnel in St. Petersburg, Moscow, and Ural Mountains.

"It is our strategy not to use agents in Russia. Firstly, we want to keep customers and deliveries in our own hands. Secondly, our products are so technical and expensive compared to those of our

competitors that selling them requires special attention," explains Tuomikko.

"Mobile Cobra concrete mixing plants are safe to deliver to Russia. They are easy to transport and quick to install. No special permits from the authorities are needed because commissioning the plant on site does not require construction work."

"Now that our sales have continued to grow, we are planning to establish a subsidiary in Russia; with our sales figures it is more cost-effective to operate a local unit there. Our subsidiary will hire employees who will be responsible for commissioning the concrete mixing plants and for providing

oil and natural gas in order to utilise these natural resources. This requires construction materials and expertise. There are also several cities in Russia in which the buying power of the population keeps increasing. This is reflected in the increase of visitor numbers bound for Finland."

"Russia has vast potential, but anyone aiming for these markets must be prepared to face tough competition. Finnish know-how and high quality are attractive, but the price of products and services must also be competitive," states Esa Komulainen.

Risto Kankaanpää, Project Assistant at the North Karelia Chamber of Commerce, has long-term experience of trade with Russia.

"If you are to gain foothold in Russia, you need time, money and presence. The company must have

good financial standing so that it can cover the costs during the first few years. It takes time to get a business up and running, which means that persistence and commitment are called for," lists Kankaanpää.

"The importance of personal relationships and familiarity with local customs are highlighted when companies look for new markets. Each company must have a contact figure - preferably someone who is accessible to the client. Of course, language proficiency is important for successful communications. What you need most, however, is open-mindedness and competitive products that are suitable for the market," adds Kankaanpää.

Pentti Rähmönen, who is responsible for developing internationalisation at JOSEK, points out that exports are not the only way of expanding your operations

to a neighbouring country.

"Other opportunities that are worth considering include imports, subcontracting, the creation of a cooperation network and the establishment of a subsidiary or affiliate in Russia. You can also start by recruiting Russian employees, studying the language, culture and trade customs, or benchmarking companies that do business with Russia," lists Rähmönen.

"Companies that are considering going international would be well advised to seek outside assistance. There are different expert organisations in Joensuu Region to which companies can turn for advice. These organisations have plenty of experience in foreign trade, an established contact network and existing references of successful cooperation with Russia," suggests Pentti Rähmönen.

maintenance and spare parts services in Russia."

"It is as easy to establish a company in Russia as it is in Finland, but running a business is extremely difficult. The bookkeeping rules are complicated and a dedicated person must be hired to take care of permits and other official documents because of the bureaucracy."

"Exports also require compulsory documentation to a degree, but the acquisition of a product certificate makes exports easier. A product certificate is an import permit required by the Russian Government; the permit procedure includes checking the product's conformity to standards," clarifies Tuomikko.

References are important and decisions are made quickly

Tecwill Oy's competitors in Russia include German, Italian, Turkish, Chinese, and Korean suppliers.

"We stand out from competitors thanks to the reliability of our products. Our concrete mixing plants are designed to operate efficiently even in the harshest conditions, such as in the Siberian winter," explains Janne Tuomikko.

"Russians appreciate good quality, but always drive a hard bargain. We have succeeded in

attracting large companies as customers, and the deals we have made have led to new sales. References play an important role in Russia," Tuomikko points out.

According to Tuomikko, trading culture in Russia differs considerably from that in Scandinavia, for instance.

"Personal relationships are important and deals are made face-to-face. You must either know your trading partners personally or have common acquaintances and references. Decisions are traditionally always made by the director - at his or her discretion. If you contact the wrong persons, you may end up doing a lot of work in vain," states Tuomikko.

"When deals are being closed, Russians go straight to the point and make decisions quickly. For example, the director may ring one of your reference companies and make the purchase decision there and then. Tenders must be delivered quickly if you want to be included in competitive tendering."

"According to our experience, operating in Russia can be compared to a kind of chaos management; you cannot predict when and how things will happen. You should always adopt a somewhat reserved attitude to what you hear, because personal

opinions may not necessarily be in line with the company's policy or strategies."

Despite all this, Sales and Marketing Director Janne Tuomikko is no longer startled by the special characteristics and challenges of Russian trade.

"After all, business in Russia is just like business anywhere else. If you know the trading customs and culture, you will be able to adopt the correct attitude and prepare for the future," states Tuomikko.

Tecwill exports mobile Cobra concrete mixing plants to Russia.





The sale of building plots accelerates with Koli attracting investors from behind the Russian border.

The Koli National Park, which has been renowned as a visitor destination for hundred years, has increasingly invested in tourism during the new millennium. Up to 32 million euro have been invested in infrastructure during this strong development phase. Sale of building plots and the construction of holiday housing continue to increase.

The marketing of Koli is predominantly aimed at Russians. The Experience Koli marketing campaign, which started in 2004 and is directed at Russians, aims to increase the Russians' interest in buying building plots and holiday homes and using the area's tourism services. These objectives seem set to be achieved.

"Russian tourism has already grown by almost 30% this year," explains **Heikki Hamunen**, Executive Director of the Koli Tourism Association.

attracts Russians

Ongoing investment

Building plots in Koli have become sought-after investments by both private individuals and companies. This year, Russians alone have bought forty or so building plots from the City of Lieksa, the Koliakeskus recreation centre and private landowners.

"The situation changed decisively thanks to the Experience Koli marketing campaign and the Holiday Housing Fair that was held last summer in Koli. Interested Russians come from Russian Karelia, St. Petersburg, and Moscow. The number of plots sold is definitely on the increase," explains Esko Lehto, Lieksa's Town Manager, who is clearly pleased by this development.

In addition to Koli's beautiful nature and leisure opportunities, Russians appreciate a good level of service.

"We want to provide ever better services, such as guide services in Russian. We also hope to build a ferry connection between Koli and Vuonislampi, in addition to the current Koli-Lieksa connection," states Lehto.

For private individuals and companies

Zander Port Oy has already bought 11 plots from the City of Lieksa. The tourism company does not invest in Koli on the spur of the moment, but on the basis of detailed market surveys that examined potential customers.

"Koli was selected as the location on the basis of reports. It is an area that has vast potential for tourism," explains Paavo Heinonen, board member of Zander Port.

Zander Port has formed two plots from the 11 plots bought and will build nine semi-detached houses on

them for further rental to Russian tourists. In addition to accommodation, the company provides its customers with diverse tourism services, and plans to continue buying plots in the future.

"We have already made plans to extend but have yet to decide the finer details. The construction of the semi-detached houses will commence during the current winter or next spring," reveals Hamunen.

Tough objectives

The Koli Tourism Association was established as a cooperation organisation for the region's tourism businesses under the auspices of the Experience Koli marketing project.

The process also produced the Koli Vision 2015 development strategy.

Although tourism has already developed rapidly, the objectives will become stricter in the future. The objective is to create 100 new jobs, build 225 holiday homes, and provide overnight accommodation for 2,000 visitors and restaurant facilities for 750 guests by 2015. The growth target for the area's net sales and the number of visitors is a whopping 150%.

"We have the drive and the will to succeed. Next year will show how the objectives will turn into concrete investments," ponders Heikki Hamunen, Executive Director of the Koli Tourism Association.

According to Heikki Hamunen, Executive Director of the Koli Tourism Association, the area's tourism objectives will become increasingly tough in the future.



Oasis becomes home to IQlink

A new operating environment acts as the meeting place for an international consultant network.

IQlink, an international business consultancy company, is an international network formed by three Finnish partners, one Russian partner and approximately 100 experts. IQlink has partners in Moscow and Montreal, but it operates from Joensuu.

"We are more than just consultants. We are the link between new technologies that are generated by research groups, and investors," describes Georg Cheremisin, IQlink's Russian partner.

IQlink, which was established a year ago, helps technology developers to commercialise their projects for the international market. It advises investors in matters related to promising investment targets and provides expertise to companies aiming for the Russian market.

IQlink's office is located in netWork Oasis, which opened its doors in the Joensuu Science Park as the result of four years of planning. The office provides a versatile environment for working, development and learning; it breaks

down barriers and allows different operators in the field to meet and get to know each other. Oasis takes up the challenges of a networked, global operating environment.

"Oasis is a meeting place for technology generators, entrepreneurs, managers, researchers, and investors. It is a place for generating ideas, for discussions and cooperation," lists Cheremisin.

Georg Cheremisin took to the Oasis concept almost straight away.

"Oasis suited our targets so well that I could not resist it. Later I had the opportunity to experience North Karelian nature and the people's hospitality and friendliness. Joensuu is a university town in the middle of forests and lakes. It sounds and looks like a dream," Cheremisin adds, laughing.



IQlink's Russian partner Georg Cheremisin feels at home in the middle of North Karelian forests.



Henri Inkinen studied in St. Petersburg last spring. Anna Myshkina came to Joensuu from St. Petersburg in September as an exchange student.

The Winter School takes students to Russia

Students of the University of Applied Sciences learn the tricks of the trade with Russians in St. Petersburg.

The International Business Degree of the North Karelia University of Applied Sciences is exactly what it says: international. Almost half the students come from abroad and tuition is provided in English. The



National holidays bring tens of thousands of people to Nevsky Prospect, St. Petersburg's main street.

studies include two practical training periods abroad.

The curriculum also includes what is called the Winter School at the School of Economics of the St Petersburg University of Economics

and Finance. The Winter School has operated for five years, and the experiences gained from the Winter School studies have been so good that last spring, students spent four months in St. Petersburg, instead of the three months that the Winter School had previously lasted.

"The international aspect is always taken into account in the International Business studies. The idea is for students to learn to understand both the western and the eastern markets. Practical training abroad provides the best learning opportunities," states Director of the Degree Programme **Ari Stenroos**.

Design in English

No other educational establishment in Finland provides the same level of studies in Russian trade as the North Karelia University of Applied Sciences does. The University of Applied Sciences works in cooperation both with international institutions of higher education and Finnish enterprises.

Companies are interested in the Russian market, and most of the Master's theses prepared by International Business students are related to Russian trade. Market surveys, which are often carried out

in cooperation with St. Petersburg-based students, are also popular. A total of 18 Master's theses and market surveys were completed in the Winter School last spring.

The objective is to continually develop international cooperation. In the future, multi-sectoral projects will be possible thanks to cooperation with the English-language design degree programme of the University of Applied Sciences.

"The changes will promote the formulation of companies' marketing plans in a completely new way. We will be able to include the testing of product concepts, i.e. analyse Russian design and quality requirements," plans **Jarmo Nieminen**, Project Manager responsible for the SMEs' Russian Expertise Development Programme at the North Karelia University of Applied Sciences.

Russia from all perspectives

Henri Inkinen spent last spring in St. Petersburg with the other final year students of the International Business degree programme. The students had started preparing for the Winter School already during the autumn semester, from which point onwards they studied Russian

trade in Russia from the perspective of local experts.

In St. Petersburg, the students familiarised themselves with the Russian market and studied the Russian language and culture.

"Our studies included basic Russian, which was very useful. I now understand Russian a little and I am definitely able to speak it better than most Finns," Inkinen evaluates.

The Winter School also removed any prejudices that the students might have had against the Russians.

"The study period made working in Russia a much more attractive option," Inkinen praises.

Real business

Russian **Anna Myshkina** participated in the preparation of a Master's thesis for Elisa Pöyhönen, who studied at the Winter School last spring.

"We carried out a joint market survey for Pentik. The project was really challenging. It was not learning; it was real business. We were able to interview business and sales managers and carry out a survey that really made a difference," Myshkina recalls.

Anna Myshkina received a grant from the North Karelia University of Applied Sciences and came to Joensuu in September as an exchange student. Although the geographical distance to St. Petersburg is not long, the cultural differences are huge. Myshkina praises Joensuu for its clean air and tranquillity. The town is not full of people and traffic jams, like St. Petersburg.

"I now have a more positive image of Finns. They are not as reserved as people often think," explains this lively Russian girl, smiling.

Participants of Winter School posing in front of their school building in St. Petersburg.



Academic education crosses the Russian border

Finland and Russia work in cooperation in order to develop academic degrees in the recently launched Cross-Border University project (CBU). The objective is to provide attractive, internationally competitive education and training that also meets the needs of the labour market.

The Finnish-Russian Cross-Border University (CBU) is a joint project of the following participants: In Finland, the Universities of Joensuu, Kuopio, Tampere and Helsinki and the University of Technology of Lappeenranta, and in Russia, St. Petersburg State University, St. Petersburg Technical State University, St. Petersburg European University, and the University of Petrozavodsk.

The CBU was launched in order to develop, as cooperation between Finnish and Russian universities, joint Master's Degrees that fulfil the educational requirements of both countries. The courses last for two years and are provided in six fields: Business and Administration, Forestry and Environmental Engineering, History, Information Technology, International Relations and Public Health. The aim is to develop joint Doctoral degree programmes in the future.

According to Professor **Arto Luukkanen**, the Project Director, the CBU is one of the most important educational initiatives of the University of Joensuu on an international scale.

"We must react to the challenges of globalisation today. The project helps us provide students with higher education that is competitive on the European scale," explains Luukkanen.

"We produce experts for the labour market who are familiar with operating in a multi-cultural environment. Cultural knowledge develops automatically because study groups comprise students of different nationalities and a part of the studies is completed abroad," Luukkanen continues.

"Both Finland and Russia are motivated to cooperate in developing education. This concept only has winners, but at this point some patience is required. We are currently testing our practices, and teaching officially starts in 2007. Student selection should commence soon," explains Arto Luukkanen.

Students who apply for the CBU studies must have completed a lower academic degree either from a field that is covered by or is adjacent to CBU training. More than half of the ECTS credits included in the CBU degree are accumulated in specific CBU courses. In addition to distance learning, the studies include a study period in Russia of a minimum of 3 months in duration. Tuition is provided in English. Students completing their studies receive a CBU certificate, which is appended to the diploma. The CBU's management is coordinated by the University of Joensuu.

Международные инвестиции - залог стремительного развития региона

Регион Йозенсу можно обоснованно считать выигравшим от глобализации, в результате которой сюда стали поступать значительные международные инвестиции. Транснациональные корпорации ценят регион и стремятся разместить здесь свои опытно-конструкторские и производственные подразделения.

Иностранные инвестиции делаются с прицелом на перспективу. Крупные международные компании стремятся к росту и ищут такую операционную среду, в которой можно добиться еще более лучших результатов. Хорошим примером могут служить "John Deere" и "Abloy". Их подразделения в Йозенсу – лучшие в своих концернах. Завод "John Deere" в Йозенсу недавно даже был отмечен на всемирной конференции по инвестициям как пример наиболее успешного вложения в Европу. Успех "John Deere" во многом обусловлен сильной отраслевой научно-исследовательской базой и целым набором разнообразных услуг, предлагаемых в регионе экспертными организациями предприятиям и их субконтракторам. Что касается "Abloy", то нельзя не отметить постоянство, лояльность и высокую квалификацию кадров подразделения в Йозенсу.

Рост и успех характерны не только для крупных предприятий. Регион Йозенсу представляет собой благоприятную операционную среду для малого и среднего бизнеса. Мы с гордостью можем сказать, что малые и средние предприятия региона имеют самый высокий по стране коэффициент собственности. В свою очередь, успех и перспективы роста предприятий привели к новому витку развития региона - последовали инвестиции в сферу обслуживания и настоящий строительный бум. Регион Йозенсу переживает в настоящий момент период стремительного роста.

Близость границы делает деловой климат региона особенно привлекательным. Регион Йозенсу расположен рядом с динамично развивающимися рынками России. Мы накопили богатый опыт в деловых отношениях с Россией и многочисленные контакты по ту сторону границы. Иностранным корпорациям удобно проникать на российский рынок из нашего региона, например размещая в Йозенсу отдел маркетинга и развития, а производство – на ту сторону границы. Предприятия, способные использовать возможности российских рынков, могут расширить свою деятельность и в Финляндии.

Регион Йозенсу, находясь на стыке России и Европы, удобен также и российским предприятиям и инвесторам. Для них наш регион привлекателен не только сконцентрированным в нем опытом и современными технологиями, но и своей природой и людьми. Другими словами, регион Йозенсу ценен также своими нематериальными качествами: высоким уровнем жизни и дружелюбием населения.

Добро пожаловать расти и развиваться в здоровую деловую среду!

Кейё Мутанен, исполнительный директор, JOSEK Oy



Высшее образование стирает границы

С началом проекта "Cross-Border University" Финляндия и Россия приступили к совместной работе над совершенствованием академического образования с целью разработки престижных, конкурентоспособных академических программ, востребованных на рынках труда.

Финляндско-российский Трансграничный университет (Finnish-Russian Cross-Border University, CBU) – это международный проект, в котором с финской стороны участвуют университеты Йозенсу, Куопио, Тампере, Хельсинки и Лаппеенрантский Технический университет. Российские участники представлены Санкт-Петербургским Государственным университетом, Санкт-Петербургским Государственным техническим университетом, Санкт-Петербургским Европейским университетом и Петрозаводским Государственным университетом.

Целью проекта является формальная и содержательная конвергенция программ подготовки магистров в России и в Финляндии. Проект предлагает получить степень магистра в другой стране в течении двух лет обучения по одной из 6 научных дисциплин (экономика, лесное хозяйство, история, информационные технологии, международные отношения и здравоохранение). В дальнейшем предполагается разработать общие программы докторантуры.

По мнению руководителя проекта, профессора Арто Луукканена (Arto Luukkainen), CBU является одним из важнейших инициатив Университета Йозенсу в направлении интернационализации обучения.

– Нам уже сегодня надо отвечать требованиям, которые ставит перед нами глобализация. Благодаря проекту мы можем предложить студентам конкурентоспособное по европейским меркам высшее образование, - говорит Арто Луукканен.

– В результате рынок труда получит специалистов, умеющих работать в поликультурной среде. Участь вместе с представителями других стран и часть времени в другой стране, культурные познания углубляются автоматически, - утверждает Арто Лууккайнен.

– Как в Финляндии, так и в России, есть стремление совместными усилиями совершенствовать образование. От этого выигрывают все, сейчас нужно только немного терпения. В настоящее время мы обкатываем практические вопросы и официально магистратура начнется только в 2007 году. Прием будет объявлен в самое ближайшее время, - продолжает Арто Лууккайнен.

Для поступления в магистратуру CBU требуется наличие высшего образования на уровне бакалавра с основной или второй специализацией по одной из 6 дисциплин CBU. Более половины кредитов можно будет получить в зачет, сдав специальные курсы CBU. Помимо дистанционного обучения в программу входит учеба в соседней стране продолжительностью не менее трех месяцев. Язык обучения - английский. По окончании студенты получат к диплому приложение CBU. Административно CBU подчинен Университету Йозенсу.

Экономический обзор - сохраняются положительные тенденции в металлообработке

Многие показатели свидетельствуют о том, что дела в регионе складываются удачно. Заметно лучше, чем в других регионах страны, экспортные показатели местной металлообрабатывающей отрасли. Экспорт металлической продукции за первое полугодие текущего года вырос на 22 процента. Положительные тенденции в металлообрабатывающей отрасли прослеживаются уже на протяжении долгого времени и за последние три года объемы экспорта почти удвоились.

По данным статистического центра наибольший рост оборота в регионе Йозенсу за первое полугодие 2006 года показали предприятия стройиндустрии – почти 13 %. Среди других динамично развивающихся отраслей, с ростом около 10 % – разработка, производство и переработка продукции из минерального сырья и вся металлообрабатывающая отрасль.

Новое производственное подразделение АО «Fodesco Oy»

Компания "Fodesco Oy", проработав на территории муниципалитета Контиолахти четыре года, расширяется и открывает новое производство в Лехмо. Это означает создание новых рабочих мест и внедрение новых технологий. До этого в Лехмо располагались только отделения маркетинга, сбыта, логистики и проектирования, а производство было размещено в России. Однако растущие потребности российского рынка

перекрыли имеющиеся там производственные мощности компании. И для обслуживания других рынков было решено разместить в Лехмо новое высокотехнологичное производство.

Компания поставила перед собой цель создать в Лехмо передовое конкурентоспособное производство мирового уровня. На предприятии производятся компоненты пресс-форм и техоснастки для полимерной и металлообрабатывающей промышленности. Крупнейшими заказчиками являются промышленные предприятия, изготавливающие игрушки, телекоммуникационные изделия и потребительские товары. Свою продукцию компания отправляет почти во все части света. В настоящее время в ней трудится 13 человек в Финляндии и 70 человек в России.



Среди производимых Fodesco Oy изделий – стандартные компоненты для пресс-форм.

Россия – страна возможностей

Российские рынки громадны, а ее природные запасы огромны. Для предприятий региона Йозенсу Россия - ближайший и наиболее привлекательный рынок. На земле Восточного соседа много возможностей для бизнеса, которые еще ждут, когда ими воспользуются.

В последние годы Россия стала самым крупным торговым партнером Финляндии. Со времени экономического кризиса в 1998 году торговый оборот между странами более чем удвоился. По мнению исполнительного директора Торговой палаты Северной Карелии Эсы Комулайнена (Esa Komulainen) местные предприятия проявляют все больший интерес к развивающимся рынкам России.

– Россия - это многочисленные возможности для интернационализации, к тому же близость границы дает предприятиям региона Йозенсу серьезное преимущество. Многие из них проявляют большой интерес, но чтобы сделать первый шаг, нужны ободрение и поддержка. В 2005 году доля экспорта Северной Карелии в Россию и СНГ составила 4,4 %, - говорит Эса Комулайнен и продолжает: - Для освоения природных богатств в нефтегазовых районах России прокладываются дороги и возводятся целые города. Поэтому там нужны строительные материалы и технологии. Кроме этого в России множество крупных городов, потребительская способность в которых постоянно растет, что видно также по растущей численности российских туристов в Финляндии.

– В России большие возможности, но и конкуренция жесткая. Финские знания и качество вызывают интерес, однако товары и услуги должны быть еще конкурентоспособны и по своей цене, - заключает Эса Комулайнен.

Ассистент проектов Торговой палаты Северной Карелии Ристо Канкаанпя (Risto Kancaanpää) имеет большой опыт в

торговле со странами СНГ и Балтии.

– Чтобы закрепиться в России, нужны время, деньги и постоянное присутствие. Экономика предприятия должна быть стабильной, чтобы было чем покрывать затраты первых лет. Развертывание деятельности требует много времени, поэтому здесь нужна настойчивость и упорность, - говорит Ристо Канкаанпя.

– Большую роль в поиске новых рынков играют личные связи и знание местных правил. Нужна также яркая фигура – лицо компании, причем желательно там, на месте. Знание языков, безусловно, важно для успешного общения. Но прежде всего требуется открытость в отношениях и, самое главное, товар, конкурентоспособный по своей цене и востребованный на рынке, - добавляет Ристо Канкаанпя.

Директор по интернационализации компании "JOSEK Oy" Пентти Ряхмёнен (Pentti Rähmönen) замечает, что экспорт - не единственный путь для развития деловых отношений с соседней страной.

– Импорт, субконтракция, сетевая кооперация, дочерняя или долевая компания в России - варианты отнюдь не хуже. Начать же можно с найма русских сотрудников, изучения языка, обычаев, культуры бизнеса и знакомства с опытом предприятий, уже ведущих торговлю со странами СНГ и Балтии, - перечисляет он.

– Когда же предприятие вплотную подойдет к необходимости своей интернационализации, стоит воспользоваться услугами специалистов. В Йозенсу получить помощь от экспертных организаций не составляет проблем. В регионе наработан опыт ВЭД, есть готовые контактные сети, а также множество примеров успешного делового сотрудничества с Россией, - говорит в заключение Пентти Ряхмёнен.

Зимняя школа ведет на российские рынки

Студенты Высшей профессиональной школы изучают торговлю со странами СНГ и Балтии в Петербурге.

Программа "International Business" (IB) Высшей профессиональной школы Северной Карелии интернациональна в буквальном смысле – ее слушатели почти наполовину иностранцы, к тому же преподавание ведется на английском. Программа обучения содержит две трудовые практики за рубежом.

Кроме того, на протяжении последних пяти лет в программу включается "Winter School", т.н. Зимняя школа в Высшей экономической школе при Санкт-Петербургском университете экономики и финансов. Учеба в Зимней школе настолько эффективна, что прошлой весной на нее было отведено уже не три месяца, как раньше, а четыре.

– Интернационализация - неотъемлемая часть программы IB. Мы преследуем цель познакомить студентов как с западной моделью рынка, так и с восточной. Лучше всего это получается, когда предмет преподается прямо на месте, за границей, - объясняет руководитель программы Ари Стенроос (Ari Stenroos).

Совместно с дизайнерами

Перечень предметов в области торговли со странами СНГ и Балтии в Высшей профессиональной школе Северной Карелии не имеет аналогов в Финляндии. Школа сотрудничает не только с международными вузами, но и финскими предприятиями. Предприятия, в свою очередь, интересуются российскими рынками, поэтому это предмет большинства выпускных работ студентов программы IB. Популярны также маркетинговые исследования, которые зачастую выполняются совместно с петербургскими студентами. Прошлой весной в рамках Зимней школы выполнено 18 выпускных работ и маркетинговых исследований.

Формы международного сотрудничества постоянно совершенствуются. В будущем, благодаря сотрудничеству с учебной программой в области дизайна, которая также преподается на английском языке, станут возможны многоотраслевые проекты.

– Благодаря этому появляется возможность включить в разработку маркетинговой стратегии предприятия совершенно новые аспекты. Например - тестирование концепции продукта, т.е. выяснение требований, которые предъявляются в России к качеству и дизайну, - обрисовывает перспективы Ярмо Ниёминен (Jarmo Nieminen) из Высшей профессиональной школы Северной Карелии.



Слушатели Зимней школы позируют перед своим очагом просвещения в Петербурге.

Погружение в русское

Среди других слушателей программы "International Business" прошедшей весной в Зимней школе участвовал Хенри Инкинен (Henri Inkinen). Подготовка к школе началась еще в осенний семестр, а в Петербурге вопросы торговли со странами СНГ и Балтии рассматривались уже с позиций местных специалистов. Еще в Петербурге студенты изучали рынки России, язык и культуру.

– Было полезно попрактиковаться говорить на русском. Я теперь немного понимаю по-русски, да и говорю наверняка много лучше, чем большинство финнов, - делится Хенри.

Кроме этого во время школы рассеялись некоторые предубеждения студентов к восточным соседям.

– Благодаря этой поездке значительно меньше стало субъективных препятствий для того, чтобы поехать работать в Россию, - с удовлетворением отмечает Хенри.

Настоящий бизнес

Россиянка Анна Мышкина в рамках Зимней школы прошлой весной участвовала в выпускной работе Элисы Пёюхёнен (Elisa Pöyhönen).

– Мы вместе выполняли маркетинговое исследование для компании "Pentik Oy". Проект был очень сложным и интересным. Собственно, это была не учеба, а настоящий бизнес. Мы опрашивали руководителей предприятий, заведующих магазинами и выполнили анализ, результаты которого имеют реальную ценность, - рассказывает Анна.

Анна получила грант от Высшей профессиональной школы Северной Карелии и приехала осенью учиться в Йозенсу по программе обмена студентами. Хотя Санкт-Петербург не так и далеко, но культурных различий хватает. Анне нравится чистый воздух и размеренный темп жизни в Йозенсу и то, что в его центре нет такого столпотворения как в Питере.

– Теперь у меня более благоприятное впечатление о финнах. На самом деле они не такие замкнутые, как принято у нас думать, - делится впечатлениями бойкая русская девушка.



Did you know that ...

- 50% of Europe's forestry machines
 - 90% of building locks used in Finland and
 - 40% of low-calorie cheeses consumed in Finland
- are manufactured in the Joensuu Region?**

JOENSUU REGION – Business and Technology

• With a population of 116,000, the **Joensuu Region** is one of Finland's fastest growing regional centres. In addition to Joensuu (almost 58,000 inhabitants), the region includes seven other municipalities (Kontiolahti, Liperi, Outokumpu, Pyhäselkä, Eno, Iilomantsi and Polvijärvi).

There are approximately 5,000 companies in the Joensuu Region. Plastics and metal, wood products, ICT, welfare and tourism are the region's major industries.

The region invests in the development of expertise. There are approximately 20,000 students in the Joensuu Region. 38.3% of the region's population have completed secondary education, and 17.7% have a higher educational qualification.

• **The North Karelia University of Applied Sciences** has more than 4,000 students who carry out their studies in 7 faculties and 23 Degree Programmes. Each year approximately 100 international exchange students study at the university.

• **The University of Joensuu** has six faculties and 8,300 students, of whom approximately 550 are from abroad. In addition, the Open University has 4,500 students.

The region is internationally renowned for its expertise in forestry, forest

research, wood technology, plastics engineering and tool manufacture. Other important fields of expertise include optics, information and communication technology, content production, cross-border co-operation and co-operation with neighbouring areas.

• **Joensuu Science Park Ltd** supports the development of expanding companies by offering business development services, transfer of technology and expertise, and an innovative operational environment.

• **The Joensuu Regional Development Company, Josek Ltd**, works to strengthen and diversify the region's industrial structure, develop its competitiveness and improve the operational conditions of businesses in an increasingly international environment.

• **The Regional Council of North Karelia** works to safeguard regional interests and develop the region. It is also the authority responsible for coordinating, for example, the funding granted through the EU's Objective 1 Programme.

• **The European Forest Institute (EFI)** is an international organisation and has an extensive network of experts in European forestry research.



www.joensuuregion.info

Published by:
City of Joensuu
www.jns.fi

Joensuu Regional
Development Company Ltd
www.josek.fi

Joensuu Science Park
www.carelian.fi
www.imtec.net
www.puugia.fi

University of Joensuu
www.joensuu.fi

North Karelia University of
Applied Sciences
www.ncp.fi

Regional Council of
North Karelia
www.pohjois-karjala.fi

European Forest Institute
www.efi.int

Editing-in-chief:
Risto Eronen
City of Joensuu
risto.eronen@jns.fi
Tel: +358 (0)50 67282

Editorial staff:
Keijo Mutanen
Anne Mujunen
Kari Hippö
Salli Soinen
Reijo Muje
Anu Ruusila
Ella Lindström

Editing and layout:
Idealmainos Oy

Photos:
Mainoskuvaamo Visio Oy

Printing:
PunaMusta, Joensuu

Circulation:
Finnish 10,000 copies
English 5,000 copies

Issued:
twice a year

Changes of address:
ideal@idealmainos.fi



Inward investment and business counselling
Joensuu Regional Development Company, Josek Ltd
Keijo Mutanen, Managing Director
Tel: +358 (0)40 555 2943
keijo.mutanen@josek.fi • www.josek.fi



Services of the Science Park and internationalisation
Joensuu Science Park Ltd
Jari Lauronen, Managing Director
Tel: +358 (0)13 263 7230, +358 (0)50 572 3733
jari.lauronen@carelian.fi • www.carelian.fi



Regional development and safeguarding of regional interests
Regional Council of North Karelia
Pentti Hyttinen, Executive Director
Tel: +358 (0)13 2654 110, +358 (0)40 546 5227
pentti.hyttinen@pohjois-karjala.fi • www.pohjois-karjala.fi