

BUSINESS INDEX NORTH

Business, people, knowledge and work in the arctic

nd Bullvåg, Nord University Business School



Nord University

gh North Center

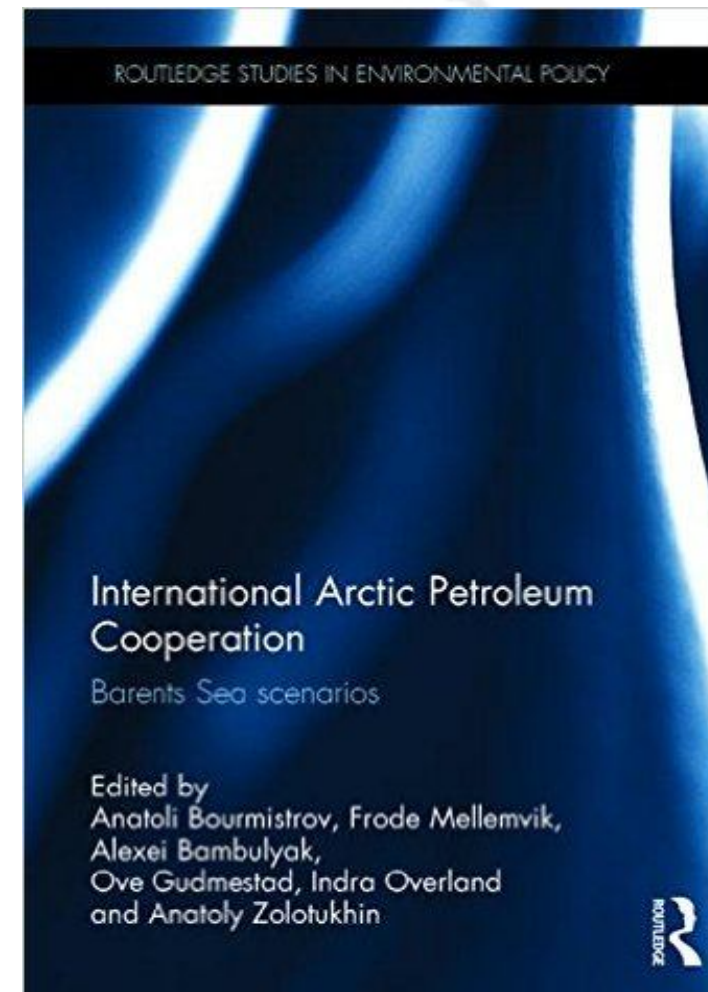
Business School

CHNL



Relevant joint research projects

- International Arctic Petroleum Cooperation: Barents Sea Scenarios for oil and gas.
 - ❑ 14 chapters delivered by 28 researchers from Norway and Russia
 - ❑ Key scenarios contributors
 - ❑ The role of the Russian and Norwegian businesses and authorities:
 - ✓ Contributors
 - ✓ Reviewers
 - ✓ Feedback/participants at workshops in Russia and Norway



High North Dialogue

www.highnorthdialogue.no

Innovations in the Arctic

April 5-6 2017, Bodø, Norway



Nordland
COUNTY COUNCIL



NORD
University

Project partners



Business Index North (BIN)

Focus on trends, opportunities and development challenges in the Arctic regions

Annual report next 3 years

With insight and trends in business activity, people, work, logistics, knowledge use, innovation, natural resources and cooperation in the Arctic

Target groups: Investors, politicians, authorities and agencies, academics, media, ngo's and companies interested in value creation in the Arctic and the High North



SCOPE: BEAR (Barents Euro Arctic Region Murmansk and Arkhangelsk)



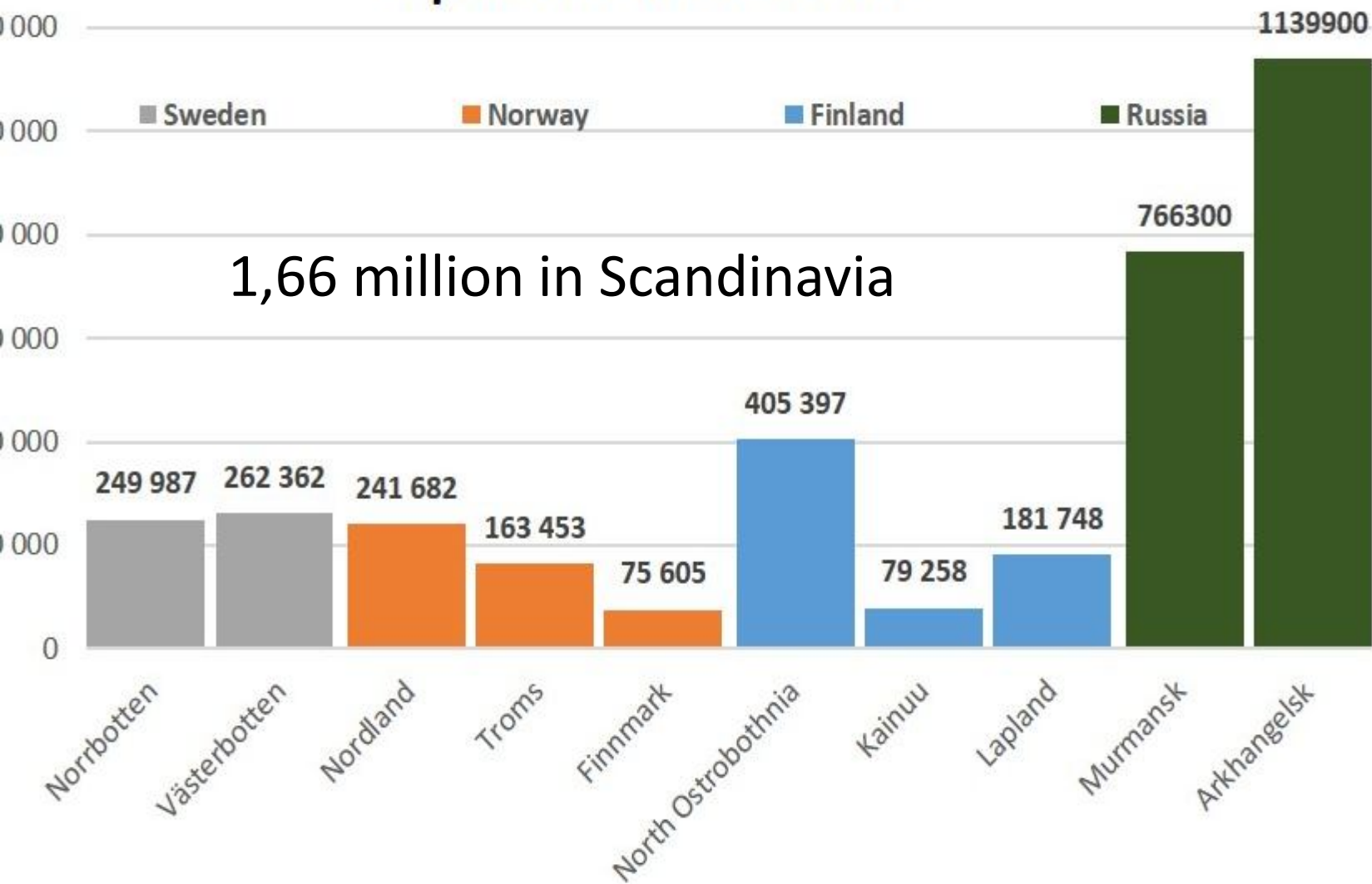
- Core of inhabited arctic
- High potential area
- New sea routes
- New energy opportunities
- Safety and security challenges

PEOPLE IN THE NORTH

8,1 % 1,66 million people



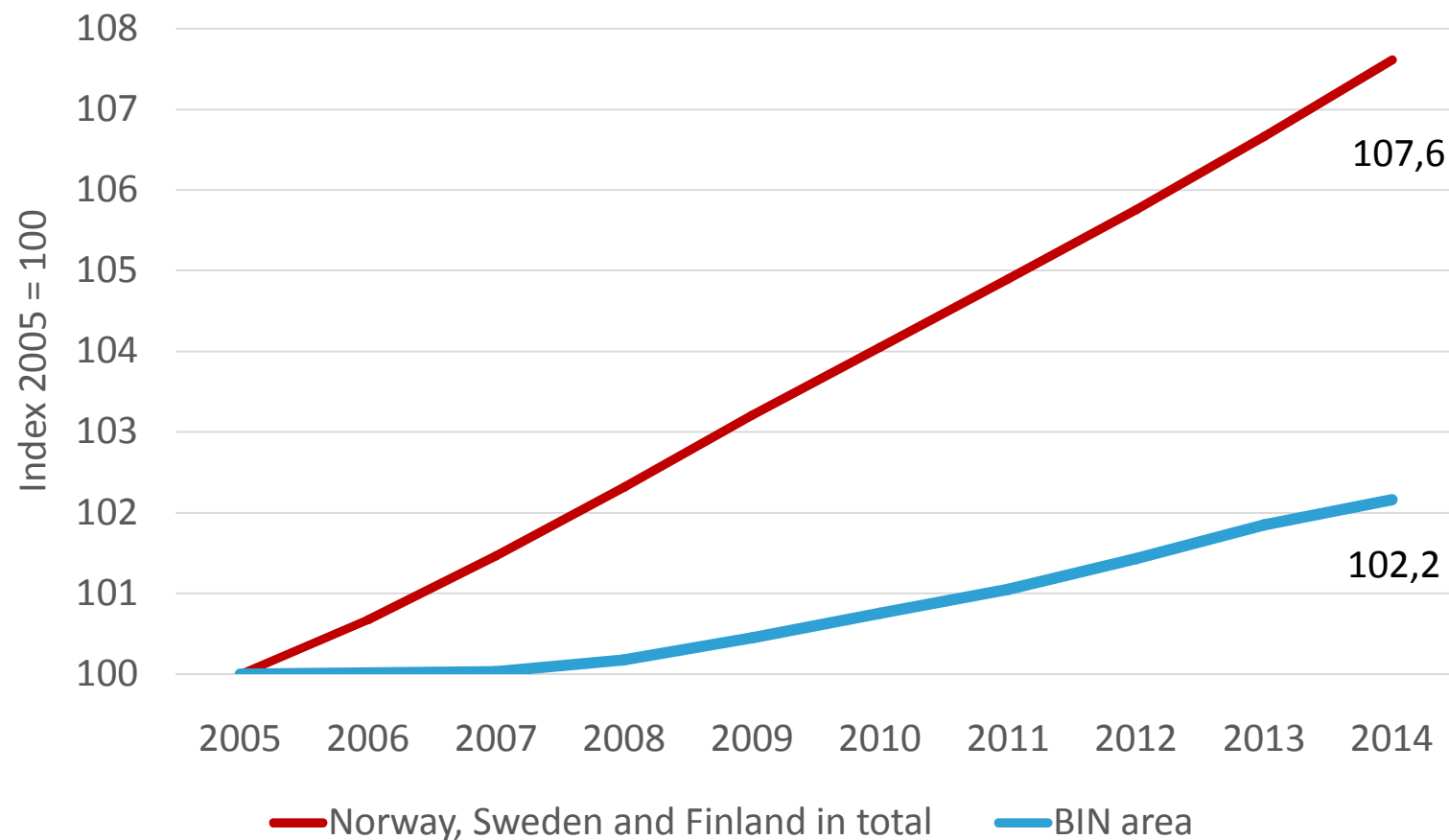
Population in the North



1,66 million in Scandinavia

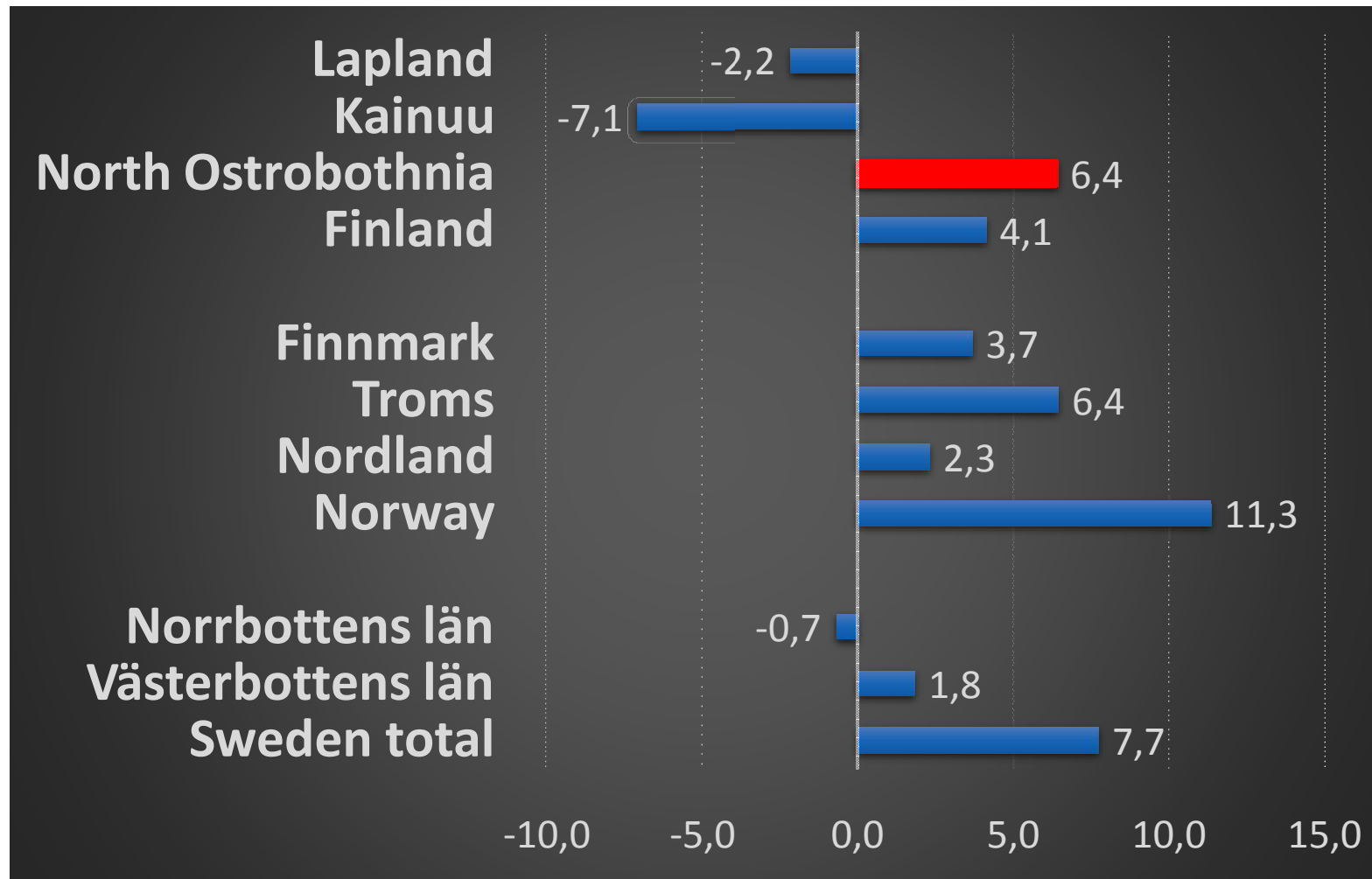
1,21 million
in Russia,
2,8 million in total

Population change last 10 years (2005=100)



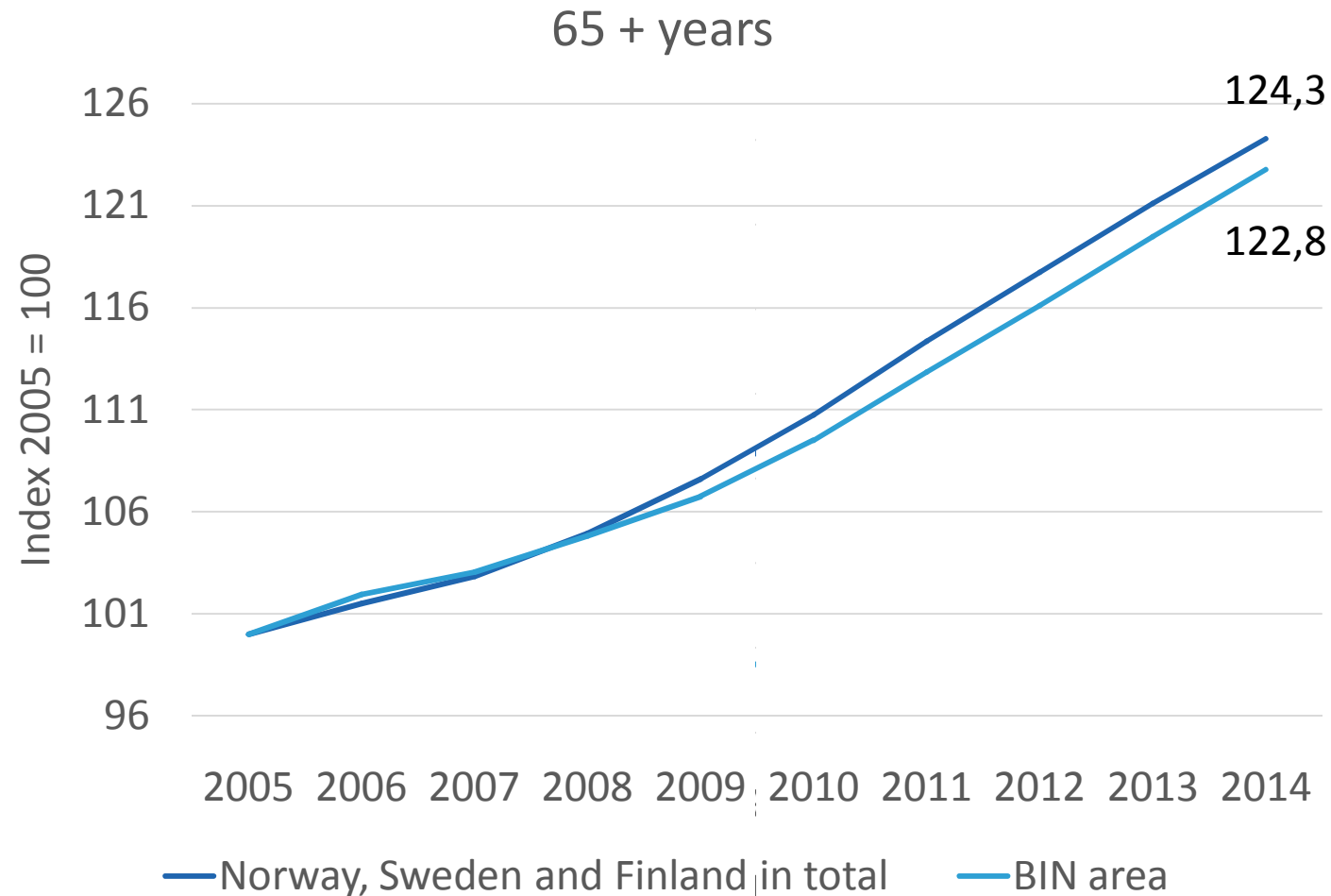
1,66 mill i Skandinavia
1,22 i Rusland

Changes last 10 years in %



Russian regions
be included in

Changes and age groups



Problematic situation:

How to make it attractive to live in the Arctic for young people?

**Ample space for
More people need**

WORK IN THE NORTH

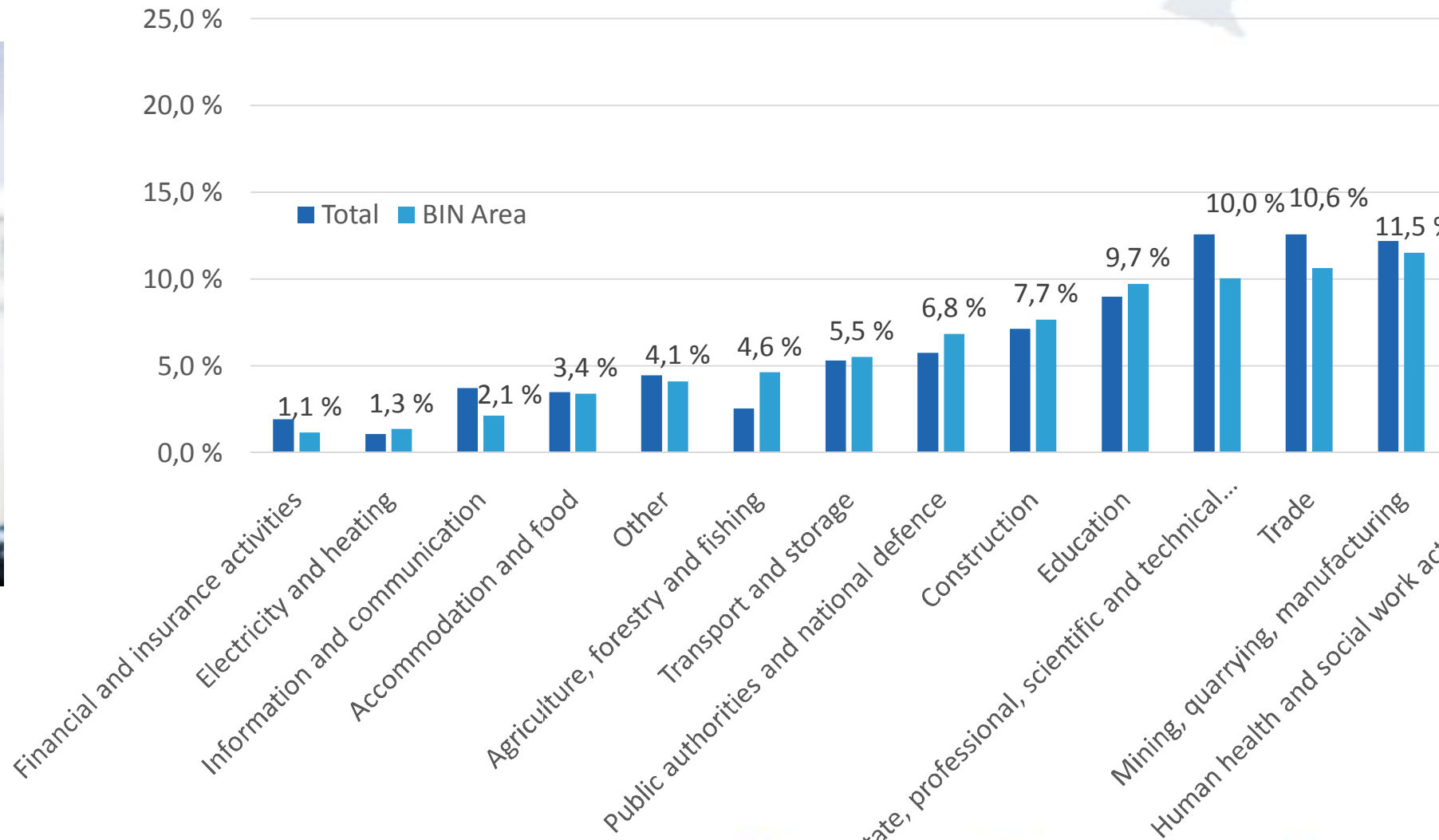
748596 employees, 7,9 % of workforce in the Nordic countries



Employment Profile

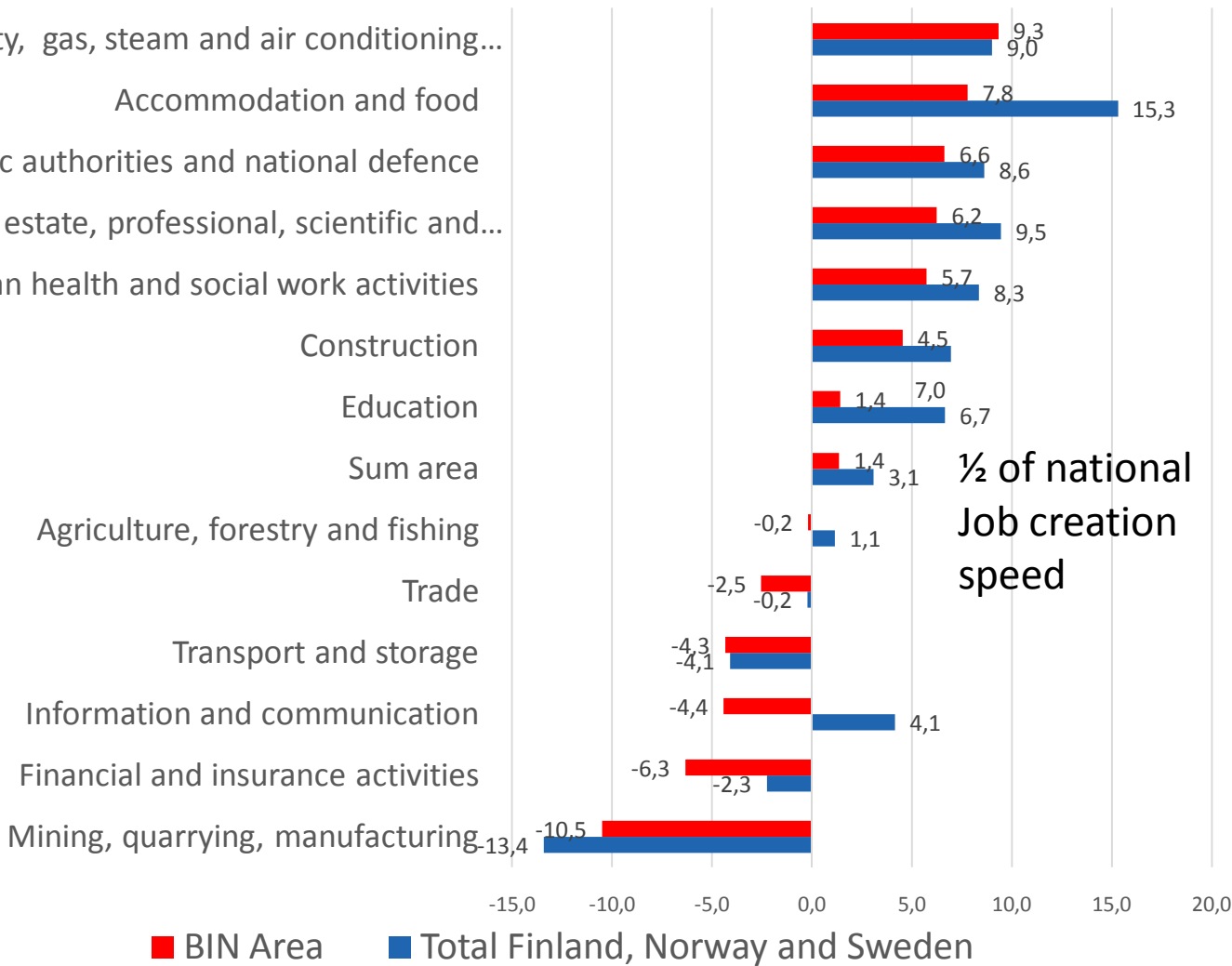
Less finance, services, trade, it and manufacturing

More fish and forrest, defence, public sector, construction, harbour, health services



Net job creation last 10 Years

Losses: 15444 Gains: 25473



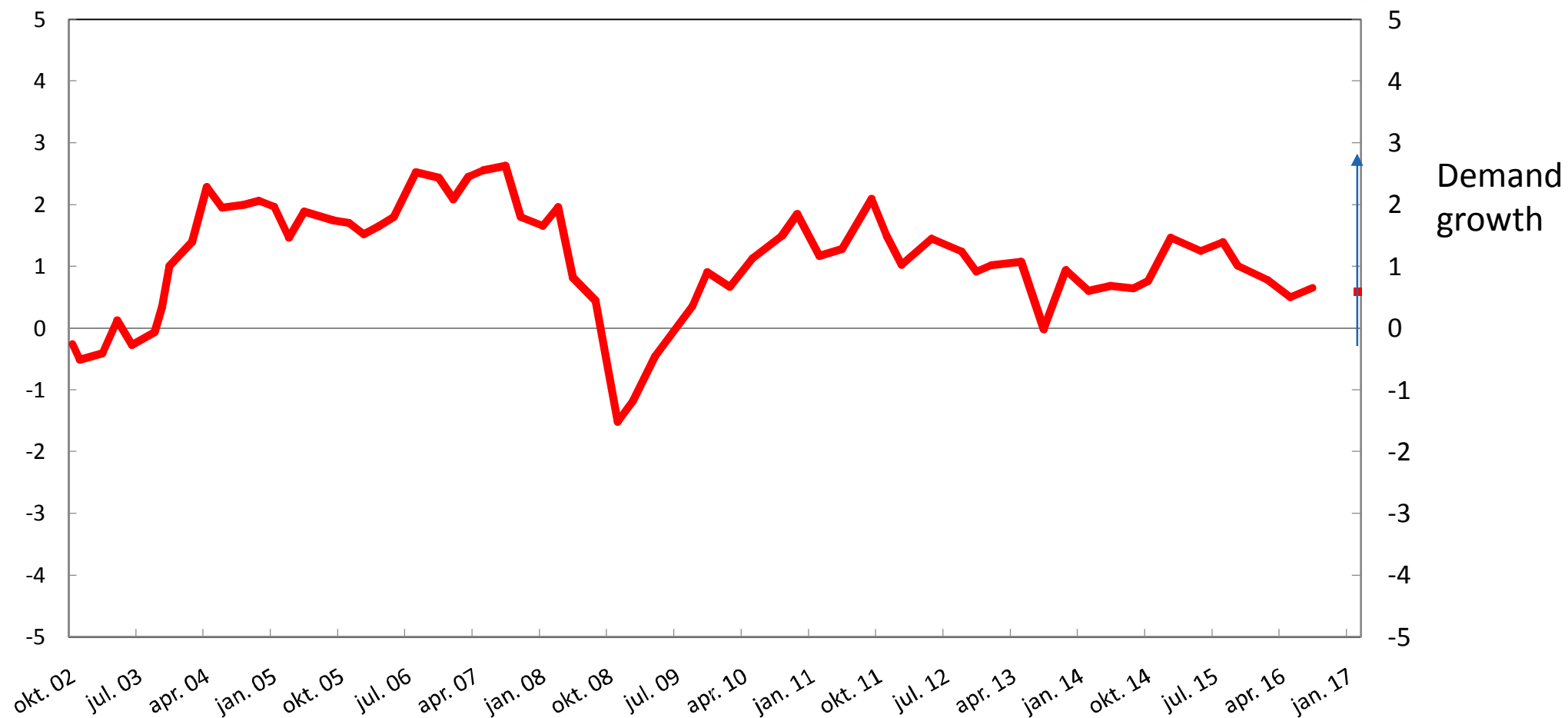
½ of national
Job creation
speed

Job creation speed
North
2,2 net jobs
per 1000 worker/year
Job creation speed
No-SWE-FIN
5 net jobs
per 1000 worker/year

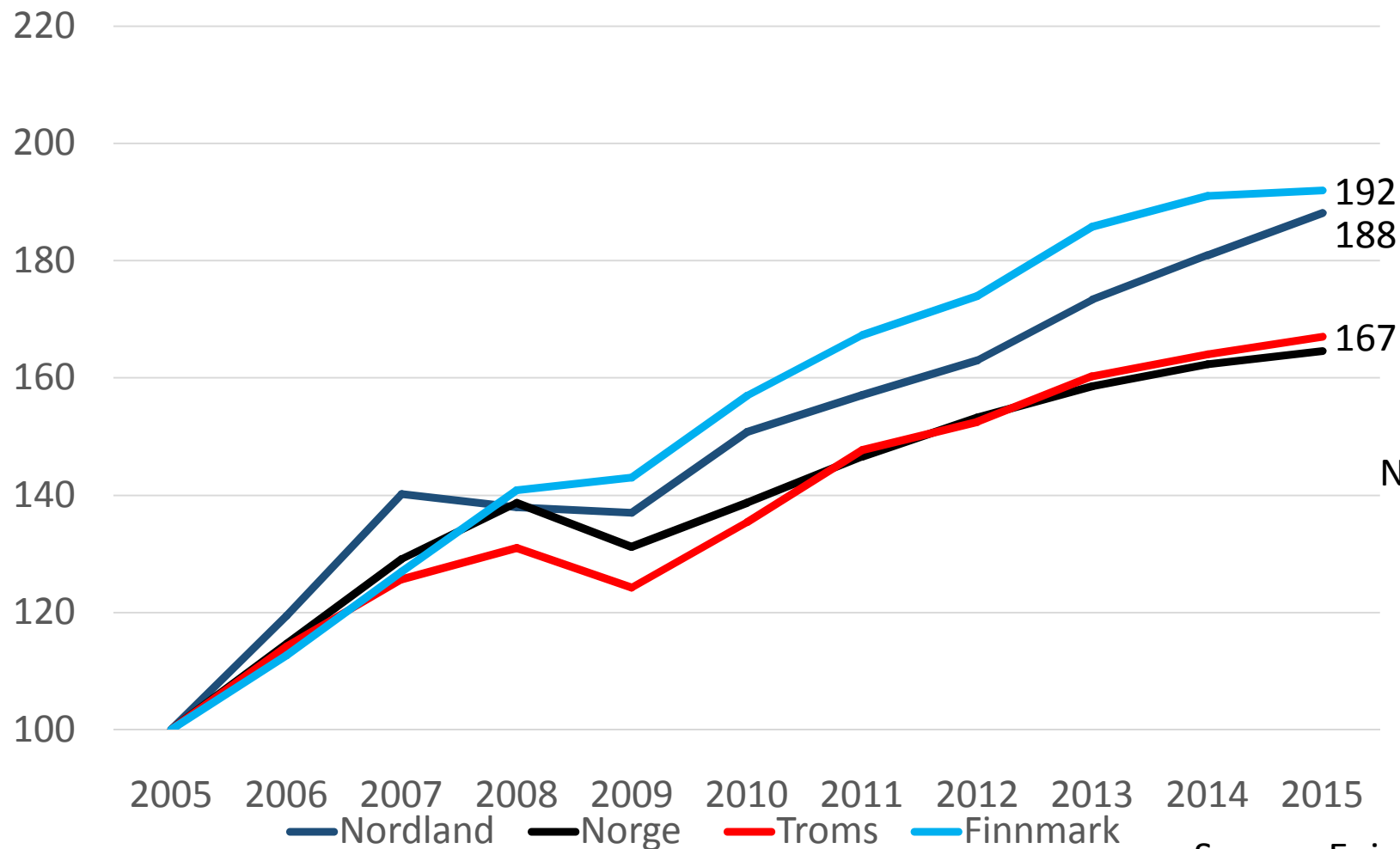
Business in the North



Strong Business cycle in North Norway



Gives strong turnover growth



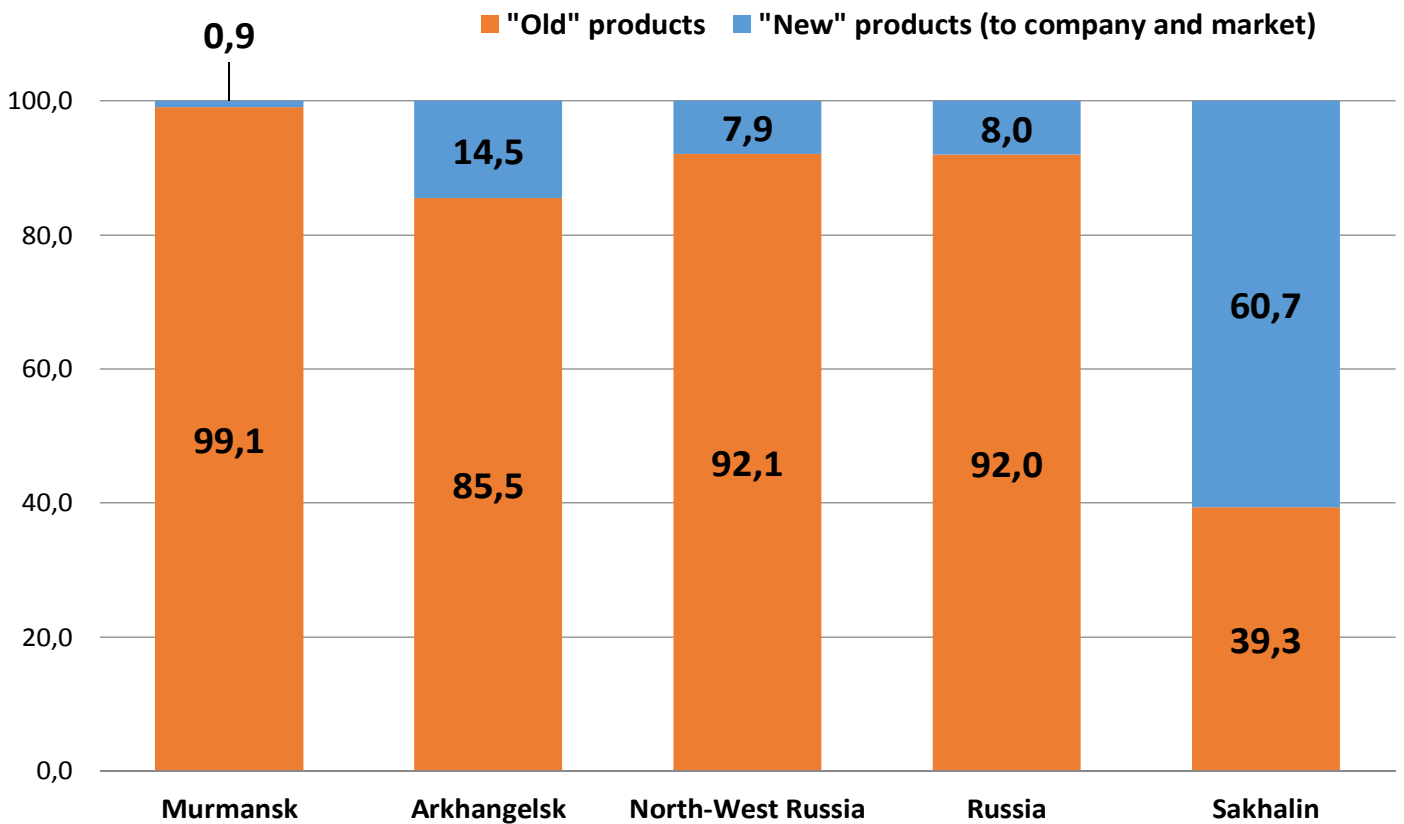
North Norway 264 Billi

Index turnover in 2005=100

Source: Eniro ASA and Indeks Nor

RUSSIA

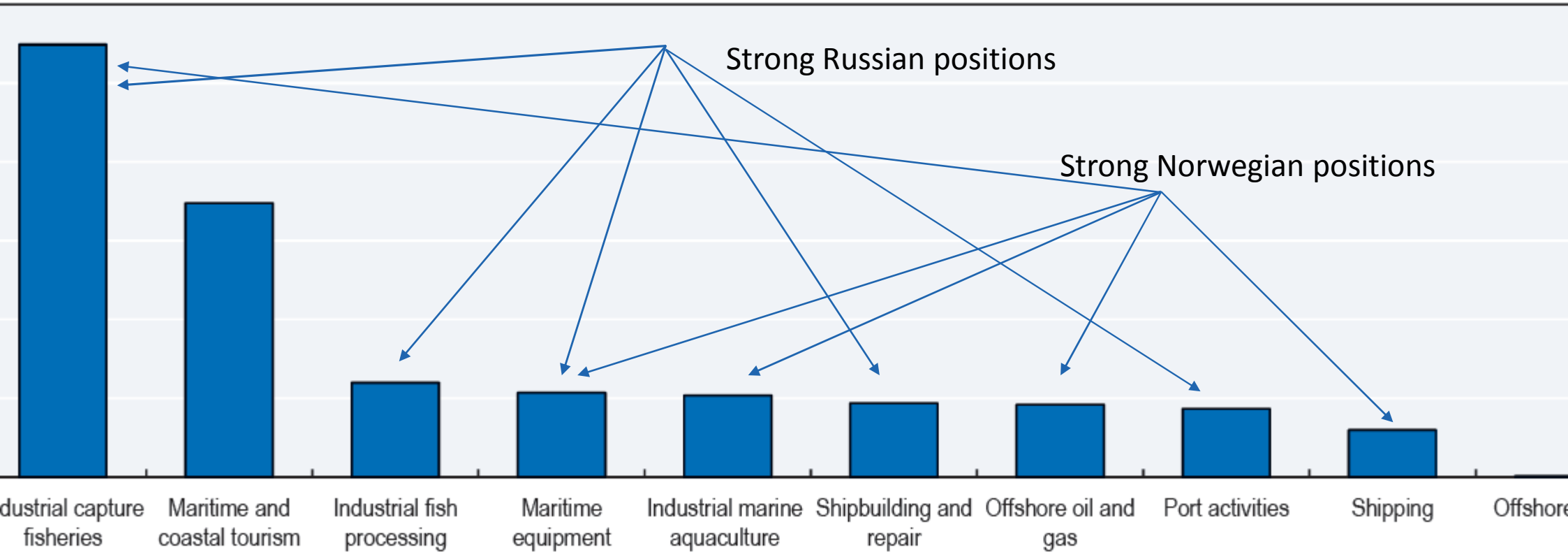
Share of turnover 2012-14 from unchanged goods/services and new product innovations



- New products in Sakhalin oil driven

Ocean economy drives Arctic: 13 % of Norway, approx 5 % of Russian workforce

ons



Huge potential for value creation- example of products

- Examples
- Snehvit and Goliat oil and Gas fields in Finnmark
- Norwegian Salmon. Sold from the north to 104 countries every week
- Polar bread – Alvsbyn, Sweden Selling Lapland bread to France and 100 other countries
- Vasterbottens cheese – strong branding from the North, exclusive cheese
- Ice hotel (Kiruna), global tourist hotspot
- Kalix troutroe – caviar to selective restaurants
- Alvsbyhus (Swedish) Advanced energy efficient tree houses

Arctic Strategies

- The Arctic region is in a process of far-reaching change. Opportunities in energy production, shipping, fishing, trade, tourism, technology, bioscience, security, almost endless list. Best

Norway	Finland	Sweden	Russia
<p>Priority areas:</p> <ol style="list-style-type: none"> 1) climate and the environment 2) monitoring-emergency response-maritime safety in northern waters 3) sustainable development of offshore petroleum and renewable marine resources 4) onshore business development 5) infrastructure; 6) sovereignty and cross-border cooperation 7) The culture and livelihoods of indigenous peoples <p>Cooperation with Russia plays an important role in Norway's Arctic policy.</p>	<p>Focus on:</p> <p>The emphasis is on external relations, i.e. Finland's relationship to the Arctic from an international perspective.</p> <ul style="list-style-type: none"> • Security • Environment • Economy • Infrastructure • Indigenous people • International institutions and the Arctic Policy of the European Union <p>Proposals for measures include improving transport communications, promoting exports, research and strengthening the Arctic Council.</p>	<p>Focus on:</p> <ul style="list-style-type: none"> • Security • Climate and the environment (Climate, environmental protection and biodiversity) • Economic development (Free trade in the arctic, industrial policy interest, educational and research needs) • The human dimension (geographical conditions affect for health, Climate change and hazardous substances affect the population, Impact on indigenous cultures and industries, The survival of Sámi languages, Knowledge transfer, Research programmes on Sámi society) 	<p>National interests:</p> <ol style="list-style-type: none"> 1) The Russian part of the Arctic shall serve as a strategic resource base to promote social and economic development 2) The Arctic shall be an area of peace and cooperation 3) The region's ecosystem shall be protected 4) The Northeast Passage shall serve as a standard Russian shipping route

We need more people, jobs and innovation to make the high north attractive

Advice to investors: Race to the Arctic



Thank you

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