



Invest in
Baltic Sea Region



Business plan for Investment Promotion Agencies in the Baltic Sea Region

Title:

Business Plan for
Investment Promotion Agencies
in the Baltic Sea Region

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ONE BSR

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Management summary

The foundation is there...

ONE BSR is an umbrella project for branding, promoting and marketing the Baltic Sea Region, funded by the European Union. The project started in September 2012 and ends in September 2014. Concerning investment promotion, ONE BSR is aiming at enhancing co-operation between IPAs and other public sector players in the region. The initiative has been successful in developing a strong network, knowledge sharing/learning from best practices in various topics, building up mutual trust, shared research studies and tool development

...but for an increased ambition and renewed strategy for the years ahead....

In the coming years, the ambition is to take cooperation to a next level though. Not only by further strengthening the network, but also by BSR IPA collaboration in concrete actions to attract more investments to the region.

...an ambitious action plan has to be implemented...

To be successful, a total of 14 actions have been defined aimed at:

- A** Learning & sharing: further developing the skills of BSR IPAs workforce, research for the benefit of all IPAs and improvement of IPA performance
- B** General promotion of the Baltic Sea Region: joint promotion of the region. For all BSR IPAs or for a selection of IPAs around a certain theme or a certain event
- C** Targeted actions: focused actions around a certain theme where regions with specific strengths, knowledge or interests team up

...within a new organisation structure....

For implementing the 14 actions, an independent organisation needs to be put in place (Independent Action Initiator, IAI) that is responsible for:

- Coordinating, initiating and preparing the actions
- Teaming up per action with participating IPAs when necessary

...that requires a commitment from the stakeholders in the region

Total costs for the IAI are around 300,000 Euro on an annual basis. If the IPAs in the BSR network share a serious ambition to collaborate in the coming years, commitment in the form of an annual contribution is essential.

Chapter 1 Introduction

1.1 Background

The Baltic Sea Region consists of 11 countries and more than 100 million inhabitants (see Figure 1.1). This region shares a long common history in e.g. trade (Hanse pact) and export and on the other hand it is a very diversified region in culture, languages and economic development.

Figure 1.1 Baltic Sea Region



Source: BDF, 2014

ONE BSR is an umbrella project for branding, promoting and marketing the Baltic Sea Region (BSR). Aim is to increase the global competitiveness of the region by presenting it as a single entity and to pool resources in attracting investors, tourists and talent to the region. The project started in September 2012 and ends in September 2014. It is partly financed by INTERREG IVB, Baltic Sea Region Programme 2007-2013.

Concerning **investment promotion**, ONE BSR's main objective is to **enhance cooperation between IPAs** and other public sector players in the region. Although still at an early phase, there is a growing interest in the exchange of IPA best practices. In addition there is an interest in clarifying the basis for moving beyond this present level of cooperation and identifying a more effective, systematic and sustainable collaboration model.

Buck Consultants International (BCI) has been asked to develop a **business plan** on cross-border cooperation in investment promotion between Investment Promotion Agencies in the Baltic Sea Region (BSR IPAs).

The Business plan has been developed through:

- Literature study and statistical analyses of foreign direct investments (FDI) and the importance and impact of FDI on regional economic development.
- Desk research on the latest publications and studies for ONE BSR related to the topic and minutes made from BSR IPA meetings and conferences.
- Screening of BSR IPAs websites, annual reports and press releases.
- Personal & telephone interviews with current Investment Promotion Agencies in the region such as Greater Helsinki Promotion, Invest in Sweden, Copenhagen Capacity, Invest in Norway, Invest in Gdansk, Invest in Poland, Investment and Development Agency of Latvia, Enterprise Estonia, Hamburg Business Development Corporation, Denmark, Lappeenranta Business & Innovation and Baltic Development Forum.
- Telephone interviews with existing IPA networks in Europe: ANIMA, East Invest .
- e-survey among participating IPAs within the BSR IPA network held first week of April 2014.

Structure of the business plan

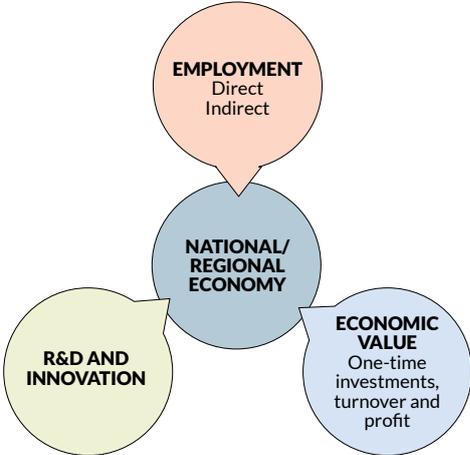
In Chapter 1 of this business plan, the impact of FDI and FDI promotion on regional economic development and the BSR Investment Promotion Agencies Network are described. In the Chapter 2 the collaboration strategy is explained and a clear action plan is presented. Chapter 3 describes the organization structure followed by the financial implications.

1.2 Impact of FDI and FDI promotion on regional economic development

Importance of foreign companies for the national economy

Within the European Union, foreign companies are of significant importance for the national and regional economy in terms of employment, creation of added value and innovation. Generally, foreign companies outperform domestically-owned companies.

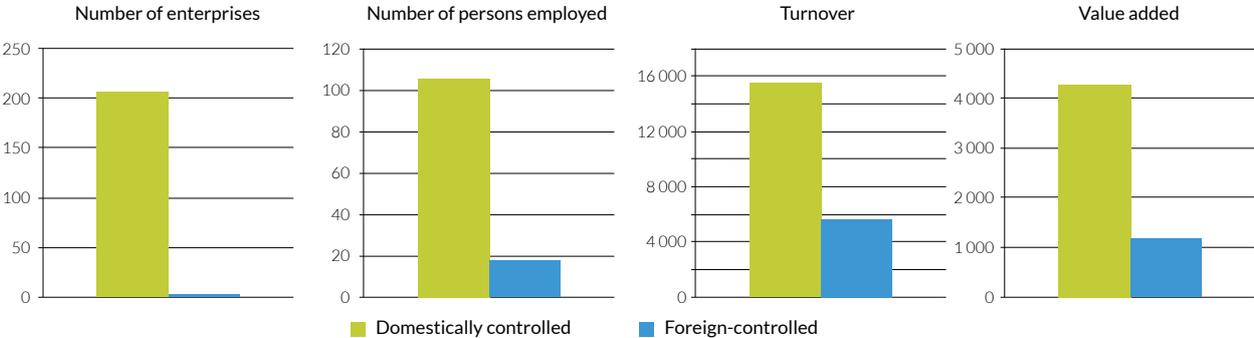
Figure 1.2 Foreign companies are important for employment, economic value and R&D and innovation
Source: BCI, 2013



Employment & economic value

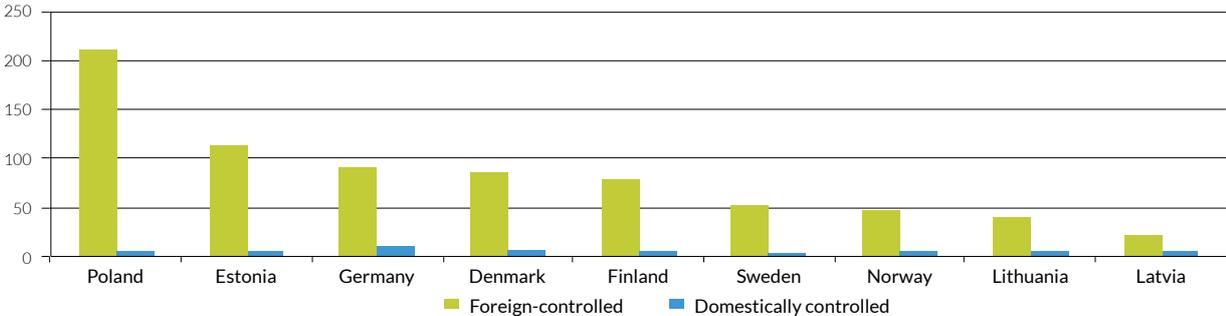
Although the number of foreign controlled companies is small in the EU (1.2% compared to 98.8% domestically controlled), the share in the total number of persons employed by foreign-controlled companies within the total European working population is considerable: 14,5%. The reason is that foreign-controlled companies are in most cases larger in size than domestically controlled companies (Figure 1.3). In Poland for example, the average number of persons employed within a foreign company is 210. In terms of turnover (26%) and value added (22%), the contribution of foreign controlled companies to the EU is significant as well.

Figure 1.3 Economic performance foreign vs domestically owned companies



Source: Eurostat, July 2013, data 2009 incl. the non-financial business economy (NACE Rev. 2 B_N, incl. S95 and excl. K)

Figure 1.4 Size foreign vs domestically owned companies



Source: Eurostat, July 2013, data 2009 incl. the non-financial business economy (NACE Rev. 2 B_N, incl. S95 and excl. K)

Between the Baltic Sea Region countries there are large differences in the share of foreign controlled companies. Foreign controlled companies play an important role in the national economies of the Baltic States (around 30% value added and > 30% in turnover), while their impact is lower in the German and Finnish economies (20% or lower in value added and turnover). In terms of employment, foreign companies generate over 20% of the workforce in Estonia, Sweden and Norway.

Figure 1.5 Share of value added, turnover and employment generated by foreign controlled companies in BSR countries

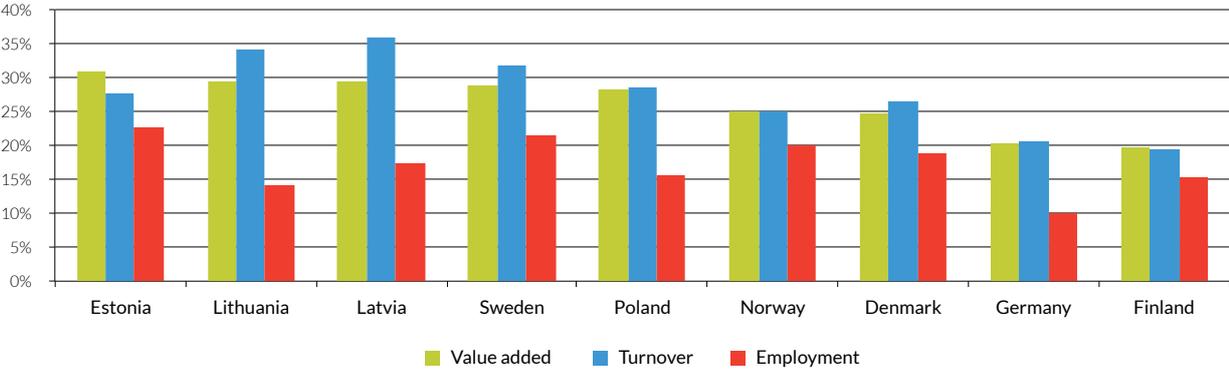
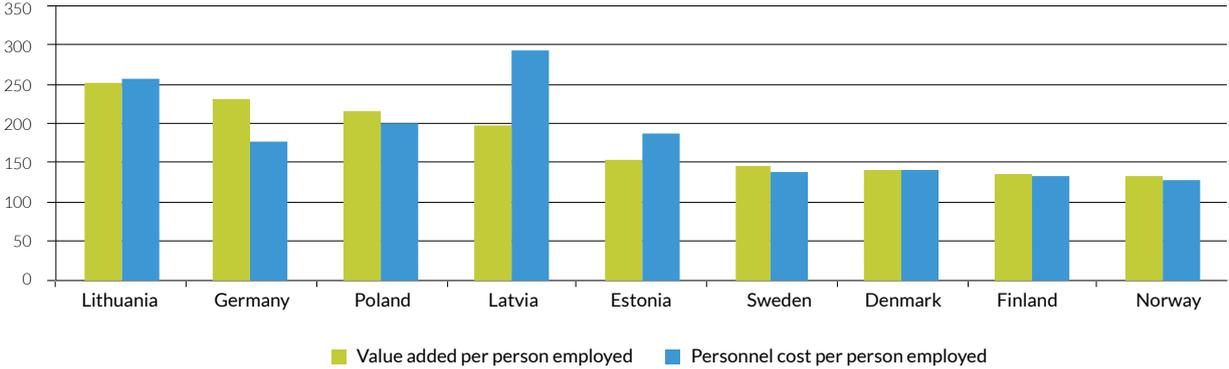


Figure 1.6 Value added and personnel cost per person employed for foreign controlled companies in BSR countries (Domestically controlled companies = 100)



Source: Eurostat, July 2013, data 2010 incl. the non-financial business economy (NACE Rev. 2 B_N, incl. S95 and excl. K)

Based on the above it can be concluded that in general foreign companies generate higher labour productivity and pay higher salaries when compared to domestically owned companies. In Lithuania for example, labour productivity among foreign companies is 2.5 times higher than their domestically controlled competitors. In Latvia average salaries paid by foreign companies are Euro 10,000 employee/year paid by domestic companies.

Research & development

R&D keeps the existing industry competitive, creates technologies that enhance productivity and quality of life, opens up new markets, and can generate new industries. In the EU foreign controlled companies are responsible for 38% of business enterprise expenditures in R&D. Within the BSR region this varies between 15 and 50%.

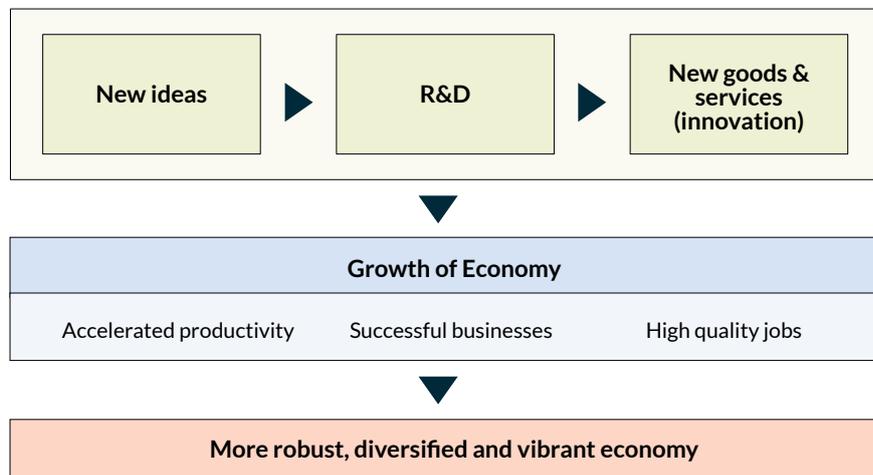
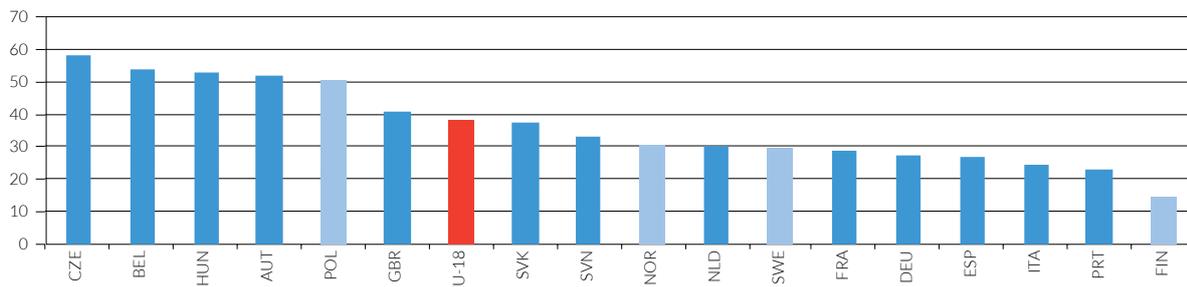


Figure 1.7 Impact of R&D on the economy

Source: BCI, 2013

Figure 1.8 Business enterprise R&D (% of total) and business enterprise R&D under foreign-control (% of total BERD) in BSR countries (partly)



Source: OECD,2013; Eurostat,2013 (data 2009, only available for 18 EU countries)

Figure 1.9 Business enterprise R&D (% of total) and business enterprise R&D under foreign-control (% of total BERD) in BSR countries

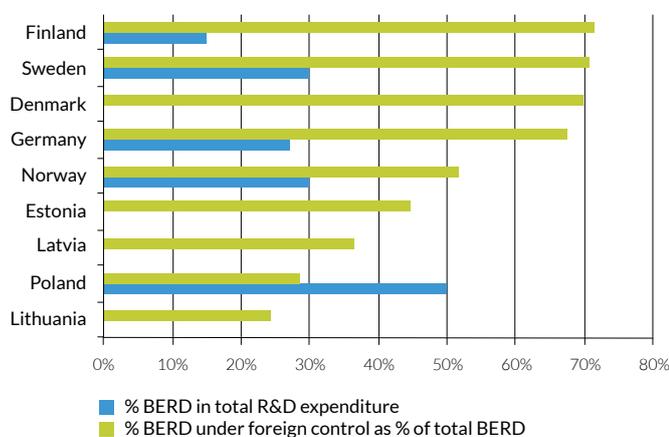


Figure 1.10 Business enterprise R&D (BERD) in mln Euro

Country	BERD	BERD under foreign control
Germany	45.275	12.224
Sweden	7.472	2.242
Denmark	4.931	
Finland	4.847	727
Norway	2.475	743
Poland	597	299
Estonia	88	
Lithuania	55	
Latvia	31	

Source: OECD,2013; Eurostat,2013 (data 2009; For Baltic States and Denmark data are not available, for comparison reasons BERD of 2009 has been included)

Conclusion

For employment, creation of added value and innovation, foreign companies are of significant importance for the national and regional economy. In general they perform better than the domestic companies

Please note that the type of activity is related to how strong a company is linked to its geographical location, because the main drivers for a location decision can be very different. High-tech production companies and R&D affiliates for example are more ecosystem driven, while back offices are relatively footloose.

Table 1.1 Embeddedness of a foreign company within the regional economy

Type of activity	Most important location factors	Linkage with the region
European Headquarter	Taxes, International accessibility, attractiveness for international talent	0/+
Marketing & Sales Office	Size and proximity of the market, accessibility	0
Back offices	Labour costs, multilinguality	0
Distribution centres	Proximity of the market, international multimodal accessibility, presence of logistics service providers	+
High tech production	Low labour costs, presence of suppliers, investment incentives	+ / ++
R&D	Talent, cooperation with high skilled & creative talent, taxes	++

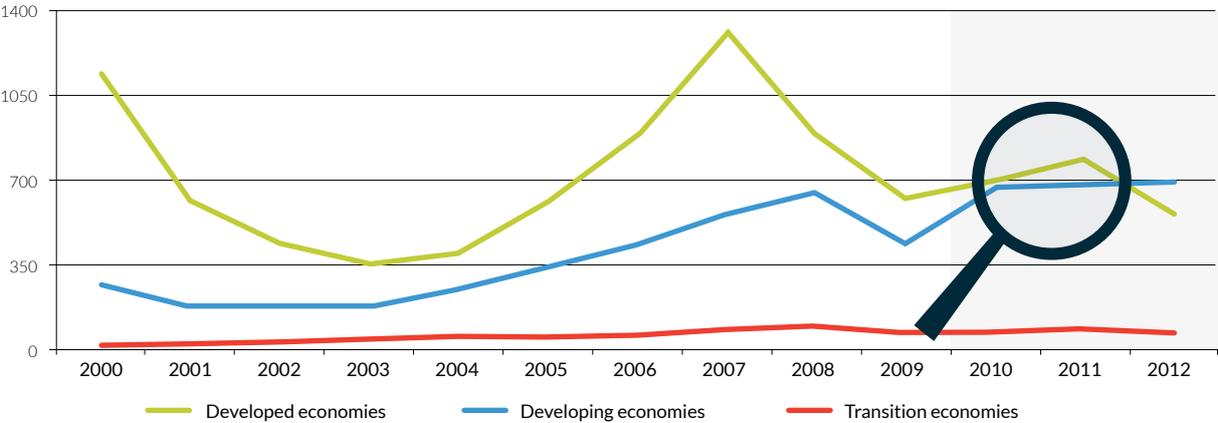
Source: BCI, 2014

FDI trends for the Baltic Sea Region

Global FDI shifts to developing countries

On a global scale, the total amount of foreign direct investments (FDI) is decreasing and is shifting towards developing countries. The main reason for this is cost related: a higher return on investment (ROI) can be achieved in lower cost locations. At the same time risk is higher in most developing economies so investors need to rate cost savings versus higher ROI. A second reason for the growth in FDI in these countries is the monetary policy of the US and the EU (where relatively low interest rates are in place to encourage investments). The question is, however, for how long? There are signals that the US will increase the interest rates which in turn will have a lowering impact on FDI towards developing countries.

Figure 1.11 Global FDI flows (billions of US dollars)

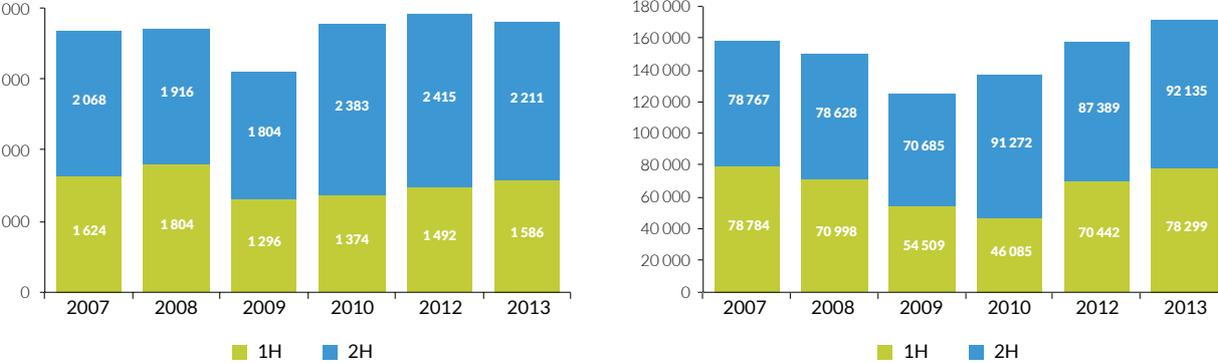


Source: UNCTAD, World Investment Monitor 2013 (incl. all capital flows of investment)

Europe still attractive and FDI into the Baltic Sea Region relatively stable

Europe is still attractive for investment projects from foreign companies. While the number of FDI greenfield projects in Europe decreased by 2.8% in 2012 (approximately 3,800 in total), the number of jobs created (approximately 170,400) increased by 8%. A possible explanation for this is a shift in types of investment towards more labour intensive projects i.e. manufacturing projects.

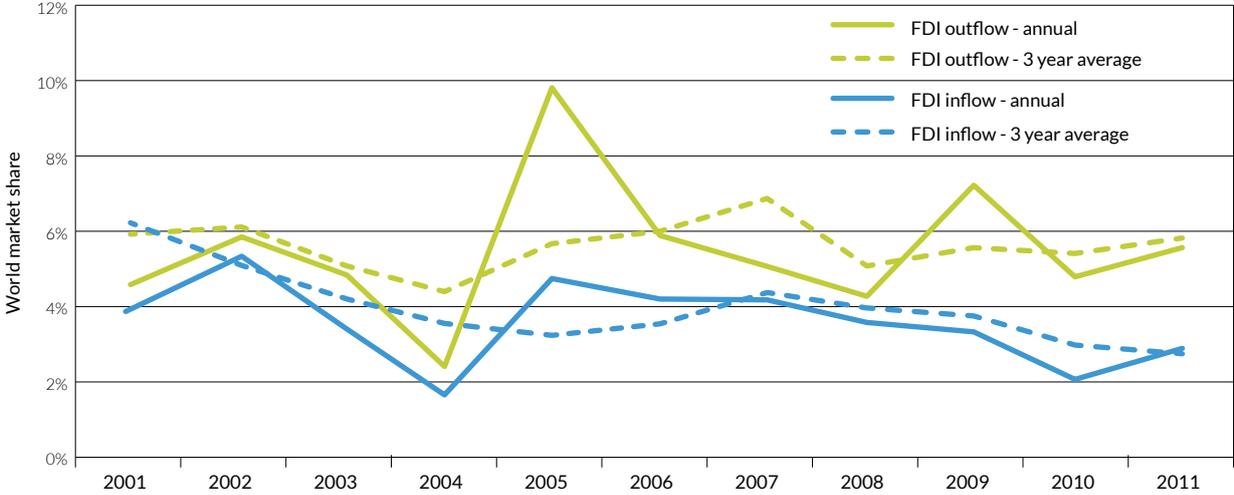
Figure 1.12 FDI development in Europe (Number of projects and jobs created)



Source: Ernst & Young, European Investment Monitor 2013 (incl. greenfield projects and excl. capital flows)

The State of the (Baltic) Region Reports 2010 and 2011 (BDF) pointed out that the share of global FDI inflow (incl. capital flows) to the Baltic Sea Region fell during that period. However the most recent report (2013) showed an increase again.

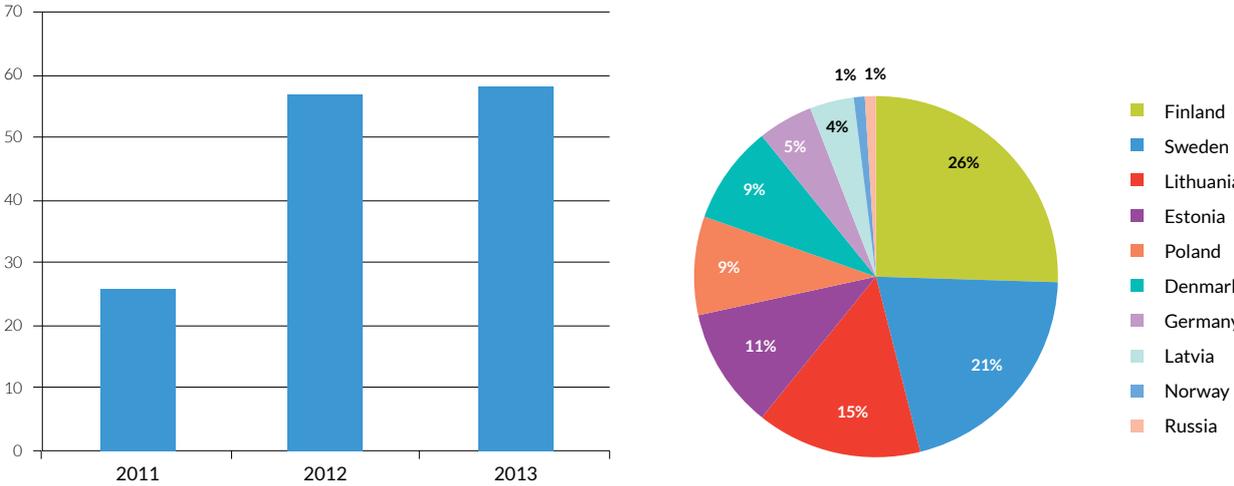
Figure 1.13 Baltic Sea Region FDI flows



Source: Baltic Development Forum (BDF), State of the Region Report 2013

Based on the BCI database of FDI projects¹, which only includes greenfield projects, 141 greenfield projects out of a total of 981 projects have been established in the Baltic Sea region (14%) over the last 3 years (2011-2013). The number has increased after 2011 and remained stable in 2012 and 2013. Almost 50% of these projects landed in Finland and Sweden, followed by Lithuania (15%) and Estonia (11%). Note that for both Germany and Poland only the regions located along the Baltic Sea were included.

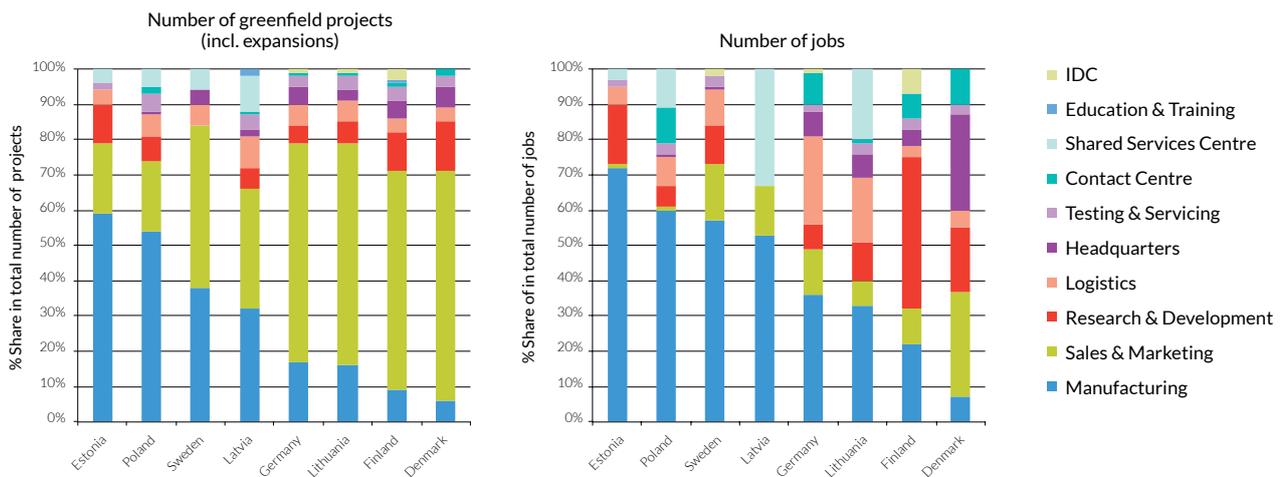
Figure 1.14 FDI projects in the Baltic Sea Region (2011-2013)



Source: BCI FDI database 2014

1 BCI's FDI database is based on greenfield investments in Europe that have been published by IPA World.

Figure 1.15 Breakdown of FDI by activity in number of greenfield projects and expansions and number of jobs (2009-2011)



Source: Ernst & Young, European Investment Monitor, 2013

As shown in Figure 1.16 Poland and the Baltic States received a larger share in manufacturing projects, while Germany, Sweden, Finland and Denmark score better in R&D, sales & marketing, headquarter, testing & servicing activities. In terms of jobs created, the picture is roughly the same. Especially Finland draws the attention with its relatively large share of R&D activity.

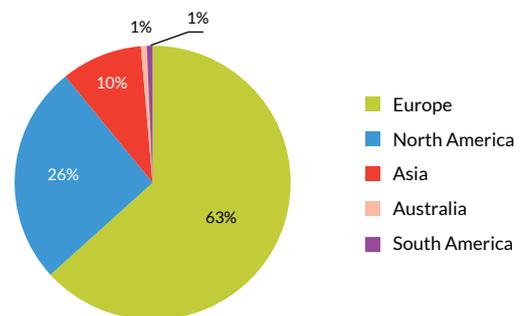
The majority of FDI projects (63%) in the BSR comes from European countries. Cross border FDI investment within the BSR region is remarkable as 40% (60 projects) of European FDI projects were originated from BSR countries (incl. whole of Germany). The BSR attracted a relative large number of FDI projects in the ICT and logistics sectors of industry.

Figure 1.16 Top 5 sectors of FDI in the BSR (2011-2013)

Sector	Number of projects
1 ICT	28
2 Logistics	13
3 Financial services	9
4 (Tele)Communication	8
5 (Renewable) Energies	7
Electronics	7
Business Services	7

Source: BCI FDI database 2014

Figure 1.17 FDI country of origin



Conclusions

In general, global FDI is decreasing. While this view is comparable within the EU in terms of projects, there is an increase in FDI seen in terms of jobs created. Since 2012 FDI inflow to the Baltic Sea Region is increasing again. The attraction of greenfield projects is relatively stable. It is expected that the high level of intra-regional FDI in the BSR is contributing to this picture.

Trends impacting FDI promotion

FDI promotion is important

In recent years, research has indicated that investment promotion has a positive effect on foreign direct investment. As investment promotion generates benefits for the whole society, it can be argued that investment promotion should be publicly funded. A publicly funded IPA can support potential investors by providing information at low cost or free of charge (BDF, 2011).

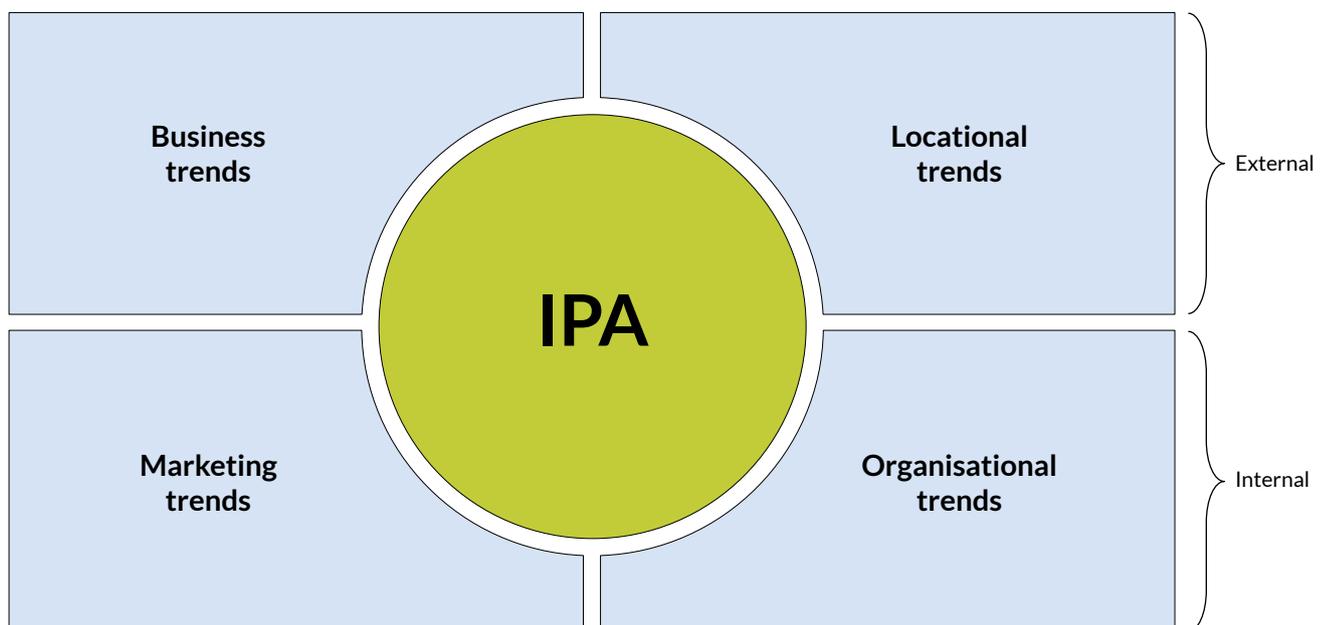
FDI promotion, conducted by investment promotion agencies, encompasses four blocks of activities:



Several trends have an impact on FDI promotion

Trends in the business environment as well as developments within the IPA organisations influence the marketing 'playing field'.

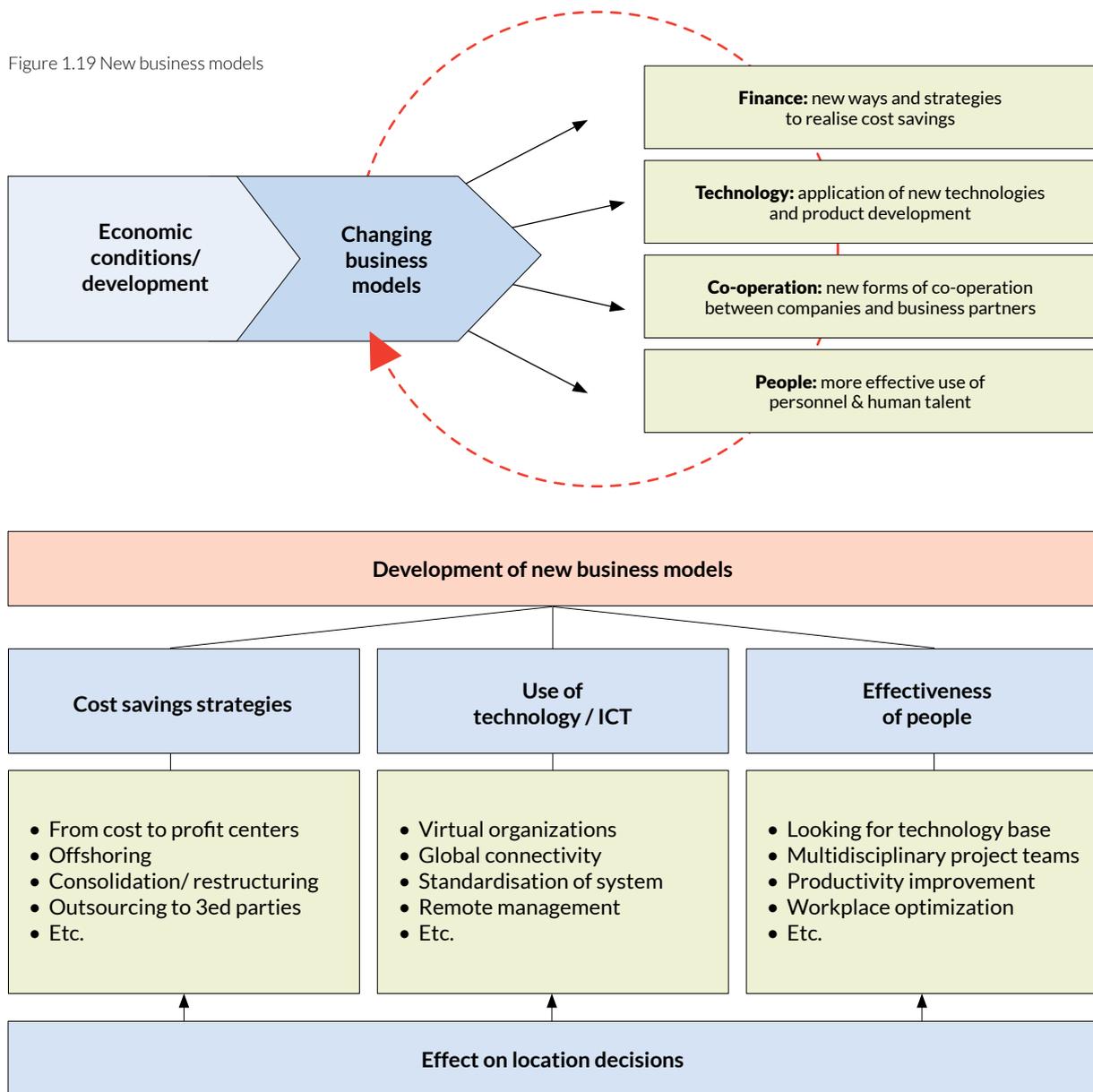
Figure 1.18 Trends having an impact on FDI promotion



Source: BCI, 2013

Within companies three forces drive the development of new business models: cost saving strategies, use of technology/ICT and the need to improve people's effectiveness. The impact on location strategies is as follows:

Figure 1.19 New business models



Source: BCI, 2013

Site selection processes are more and more **embedded within corporate strategies**. As a result corporate end-users are looking for **new balances between cost, quality and flexibility**. Especially the combination of effective cost levels & high flexibility has become a strong driver in decision making on site selection and real estate. It has become clear that companies focus on those location factors that can make the real difference between regions (i.e. divergence). Key criteria include labour, presence of technology, know-how & suppliers and logistics & accessibility. Another location trend seen in the market is **clustering**. (Inter)related companies tend to locate close to each other to benefit from regional know-how and increase the effectiveness of co-operation with universities, institutes etc.

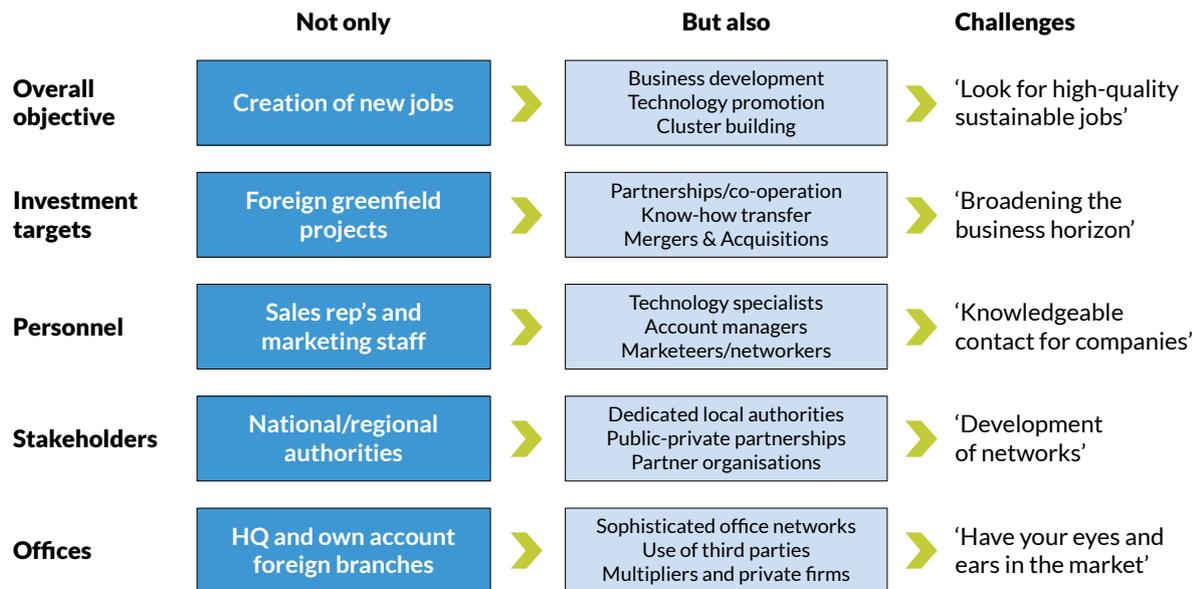
In the field of investment promotion, the **level of competition** to attract FDI projects has **increased** significantly in Europe. The number of national and regional investment promotion agencies is increasing under pressure of strong competition. Within European countries, 2nd and 3rd tier cities rise as cost-effective alternatives as well.

Within Investment Promotion Agencies the **marketing function** becomes **more professional**:

- Niche approach and industry know-how: focus shifts towards specific, interesting niche segments.
- More focus on technology-based marketing, matchmaking and establishing partnerships between companies.
- More focus on results and accountability: multiple criteria to measure the effects of marketing and promotion activities. For example, instead of 'new jobs created' IPAs also look at yardsticks such as safeguarded jobs, investment in R&D, number of high-end jobs, etc.

In the figure 1.20, trends regarding the **organisation** of an IPA have been summarized.

Figure 1.20 Organisation trends within IPAs



Source: BCI, 2013

Conclusions

Overall changing investor preference, location requirements and increased competition have a strong impact on the FDI promotion organisation in terms of professionalism, ambition and required resources (money, people and time).

As also concluded in the Policy Action Plan of BaltMet Promo (2011), with the share of FDI inflow to the Baltic Sea Region falling and recently getting more stable, the strengthened challenge to market the region as an attractive FDI destination in an increasingly competitive market place, **cooperation** between IPAs in the Baltic Sea Region provides benefits:

- **Market** - A larger market with more opportunities can be marketed, which gives more impact and more outreach internationally.
- **Image transfer** - Places less well known or with less positive images can benefit from tagging onto the more positive or better known images of other places in the region
- **Economies of scale** - By pooling resources, BSR countries can leverage economics of scale to achieve synergies and added value, as well as reduce costs.
- **Product Development** - The possibility of transnational product development, e.g. networks of supporting clusters covering several countries for investment attraction.

1.3 Baltic Sea Region Investment Promotion Agencies Network

In the past there existed joint investment promotion efforts in the region both between national investment promotion agencies and also bilateral between regions and city regions. And there is still collaboration going on. The below overview presents a sample of joint investment collaboration networks from the past and that are currently active.

Table 1.2 Sample of joint investment promotion programmes within BSR

Pan-Baltic	Bilateral
<ul style="list-style-type: none"> Baltic Sea Region Investment Promotion Agencies (BIPA, founded 1998, renewed in 2011, Denmark, Estonia, Finland, Norway, Lithuania, Latvia, Northern region so f Germany, Poland, Sweden and St. Petersburg,) Baltic Sea Region Investment Network (started in 2005, suspended in 2008, Estonia, Latvia, Lithuania, Sweden, Invest in Finland, Copenhagen Capacity, a.o. study visits & joint promotion events in India) BaltMet Promo Project (since 2002, 10 capital cities and large metropolitan cities from BSR a.o Investment Pilot joint investment promotion to MIPIM and Hannover Messe, BSR investor's Guide within Promo Project in 2010-2011) BaltMet Brand-ID (2012-2013) ScanBalt (PPN for life science community Scan Balt BioRegion, global promotion) 	<ul style="list-style-type: none"> Bench project (Central Baltic Region: Östergötland –Sw, Östsam, Linköping, Lahti – Finl, Tallinn – Est. on business relations with China) BaltMet Invest – joint action of Baltic metropolises (Riga, Tallinn, Vilnius) towards the development of coordinated investment approach in the Baltic Sea Region (2004-2007, Interreg IIIB) Lithuanian-Finnish Forum on Investment Promotion (2010) Oresund region (Copenhagen Capacity and Invest in Skane in the field of life sciences (Medicon Valley), ICT and logistics)

Source: Baltic Development Forum (BDF), Promotion of Trade and investments in the Baltic Sea Region, 2011

Within the Baltic Sea Region there are many investment agencies active at different geographical levels having different IPA organisation models. Currently, the BSR IPAs Initiative, part of the ONE BSR project, consists of 14 active participating agencies and the Baltic Development Forum. Since Russia is an attractive market for many IPA's, Russian IPA partners in St. Petersburg have been associated as well through a separate project financing. The IPA's within the BSR region share many of the same priorities (markets, sectors & investment types).

Table 1.3 Overview of participating IPAs within the BSR IPA Initiative 2014

National	Regional	Local
<ul style="list-style-type: none"> Business Sweden Enterprise Estonia Invest in Denmark Invest in Finland Invest Lithuania Invest in Norway Invest in Poland Latvian Investment & Development Agency (LIAA) 	<ul style="list-style-type: none"> Invest In Skane Northwest Development Agency Russia 	<ul style="list-style-type: none"> Bornholm (Denmark) Center Latgale Planning Region (Latvia) Copenhagen Capacity (Denmark) Cursor Oy, Kotka-Hamina Regional Development Corporation (Finland) Foreign Investors Council (Latvia) Greater Helsinki Promotion (Finland) Hamburg Business Development Corporation (Germany) Helsinki Business Hub (Finland) International VC Zone (Finland) Invest in Gdansk (Poland) Invest in Riga (Latvia) Lahti Development Company (Finland) Lappeenranta Centre (Finland) Latvian IT Cluster (Latvia) Pärnu Business & Development Centre (Estonia) Stockholm Business Region (Sweden) Tampere Regional Economic Development Agency (Finland) Tartu Business Services Centre (Estonia)

Source: BDF, 2014

Various Investment Promotion Agencies models within the Baltic Sea Region

Based on interviews with IPAs in the Baltic Sea Region, 10 IPAs have been analysed (see Annexe I). The result is summarised in a profile (see Annexe II). High level findings regarding the IPA models are:

Governance/Funding

Within the Baltic Sea Region, some investment promotion agencies have private sector representation (e.g. Business Sweden and Copenhagen Capacity) while the majority has a more public character. Two of the IPAs included in the survey reported to be partly funded by the private sector; all others are fully public funded agencies.

Investment promotion departments: staff & budgets

The staff numbers among the IPAs vary between 1 (invest in Norway) to 60 (Business in Sweden). In general IPAs operating on a national level are larger than the IPAs operating on a regional level. Of the 10 analysed IPAs, 6 disclosed their annual budget for FDI promotion and marketing. They vary between around Euro 100,000 and Euro 1 million. Invest in Norway has no specific budget and utilizes resources of Innovation Norway and the other organisations on special actions/projects.

Office network abroad

Most national agencies have a world-wide office network. The further down the geographical level the lower the number of offices overseas (e.g Copenhagen Capacity, Gdansk Development Agency). Remarkable are the number of offices of agencies located in Asia (a.o China, India, Japan) and Russia, also important target geographies.

Marketing approach

Almost all IPAs perform the typical IPA activities in order to attract foreign direct investment. These include pro-active marketing (focussed on priority sectors), general marketing incl. promotion & acquisition via (own) events/workshops and via intermediates. Invest in Norway differs in its marketing approach compared to the others as it acts more reactively. The organisation utilize the network of Invest in Norway-offices abroad and embassies.

Target sectors & investment types & geographies

Sectors and clusters that are mostly prioritised by the IPAs in the region are clean/renewable energy, ICT, life sciences/biotechnology and logistics. Target sectors are strongly related to the existing clusters within the countries/regions and stimulated through government policies. Investment types vary within the region and focus on regional headquarters, R&D and services centres, manufacturing and distribution centres.

The majority of IPAs target both the mature geographies in North America and Europe (with a relatively strong focus on neighbouring countries) and emerging markets in Asia (e.g China, Japan, South Korea and India). Russia is for many IPAs an important target market.

Current BSR IPA cooperation & future ambition

Results 2012-2014

During the last 1,5 years the Baltic Development Forum organised 6 meetings for the BSR IPAs initiative. Main objectives of these meetings were to discuss common challenges, sharing priorities and practices and to identify cooperation opportunities in the attraction of investments to the region. Key aspects were:

- Key markets for IPAs
- Priority sectors
- Investment types
- Administrative perspective

Table 1.4 Overview of BSR IPA meetings held 2012-2014

Location	Meetings	Topics
Stockholm	October 25, 2012	FDI in the BS Region, global economic & political context, legal framework for doing business in BSR, M&A
Hamburg	February 8, 2013	China, Logistics, R&D, cooperation between IPA's within a country
Riga	May 29-30, 2013	ICT sector, City promotion & branding as part of investment attraction
Copenhagen	November 5, 2013	Cleantech and Growth Capital
Warsaw	February 4, 2014	US, M&A, Draft Business Plan on collaboration
Helsinki	June 9-10, 2014	Final IPA Forum, presentation final BSR IPA Collaboration Business Plan

Source: BDF, 2014

The initiative strived to strengthen the perception of the Baltic Sea Region as one coherent region, that will increasingly attract more investments, resulting in it's higher competitiveness and prosperity in the region.

So far the initiative has been **successful** in:

- Network development
- Knowledge sharing/ learning from best practices on various topics
- Building up mutual trust
- Shared research studies
- Tool development

Table 1.5 Overview of research studies and developed tools

Location	Tools
<ul style="list-style-type: none"> • Baltic Sea Region – Investor's Guide • Why do firms invest in the Baltic Sea Region? • Analysis of the investment drivers in 11 Cities • Promotion of investment into ICT and ICT clusters in the BSR • Clean tech report: cooperation opportunities for IPAs in the BSR • TTIP report – Warsaw meeting • China report – Hamburg meeting • Trade and Investment promotion report 	<ul style="list-style-type: none"> • BSR IPA directory • BSR interactive map

Source: BDF, 2014



Ambition 2014-2018

Based on the successes that have been achieved there is a common interest among the IPA's to go into the next phase of collaboration and to clarify a basis for moving beyond the present level of cooperation.

So far BSR is not perceived as one region by foreign investors (nor is it promoted as such), each country/region/city promotes its relatively limited offering without harvesting the potential benefits related to the wider region's attractiveness to foreign investors. However, it is argued that higher volumes of foreign investments of increasing quality anywhere into the region add value to each country/region/city.

Therefore, the **future ambition** is to collaborate between the IPAs in the BSR **resulting in:**

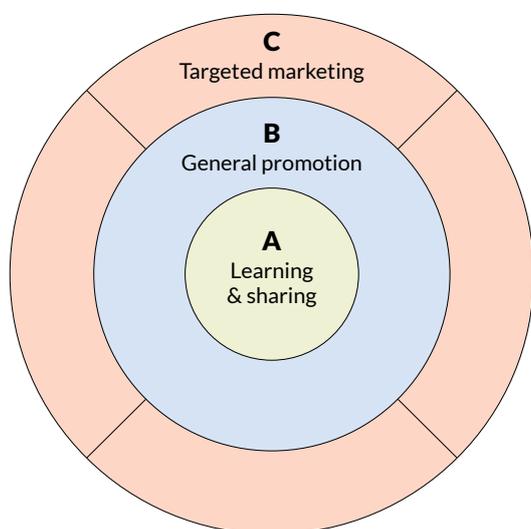
- Attracting higher volumes and better quality foreign investments into the BSR.
- Increasing administrative efficiencies of the IPAs. (e.g., reducing the cost of market research by sharing costs).
- Strengthening the image of the BSR as an appealing investment location, as well as of the individual countries/regions/cities within the Region.

Chapter 2 Strategy and Actions

2.1 Strategy

The main goal behind trying to enhance cooperation between IPAs and other public sector players in the BSR, is to attract more investments to the region. The strategy towards reaching this goal is through concrete actions around three themes:

Figure 2.1 Three categories of actions



A Learning & Sharing

- Actions aimed at:
 - further developing the skills of BSR IPAs workforce
 - research for the benefit of all IPAs
 - improvement of IPA performance
- Open for all IPAs

B General promotion

- Joint promotion of the Baltic Sea Region
 - can be for all BSR IPAs or for a selection of IPAs around a certain theme or a certain event

C Targeted marketing

- Focused actions around a certain theme where regions with specific strengths, knowledge or interests team up

For the IPAs to participate in the BSR actions, the benefits must be very clear. Therefore BCI used two basic principles. The actions should be:

Effective

- Enabling individual IPAs to better meet their organisational goals
- Enabling IPAs to pursue goals that cannot be reached (or less effective) by own means (without increasing the annual budget)

Efficient

- Enabling BSR IPAs to meet their goals at lower costs (e.g. by sharing resources with other IPAs pursuing the same goals).

For initiating and coordinating the actions, BCI recommends to have an organisation in place that:

- has a strong network within the Baltic Sea Region with BSR IPAs, national and regional government bodies, regional cluster organisations, employers' associations, multinational companies etc
- has manpower available to coordinate the initiation of actions.

In this document we will refer to such an organisation as '**Independent Action Initiator**' (IAI).

2.2 Business plan actions

On February 4, 2014, there was a BSR IPA meeting in Warsaw. BCI had the opportunity to participate in that meeting and was able to perform face-to-face interviews with 9 BSR IPAs on their vision on collaboration in the coming years. Another 3 IPAs were interviewed by phone. Main discussion topics were:

- Opportunities for collaboration with other IPAs
- Benefits of collaboration (organisation, financial, activities)
- Potential joint initiatives & projects
- Financial organisation
- Keys to success

As a result BCI defined 14 potential actions for collaboration in the years ahead:

Table 2.1 Overview of the 14 identified actions:

A Learning & sharing	B General promotion BSR	C Targeted actions
<p>A1 Shared research/ intelligence</p> <p>A2 KPI measuring for BSR IPAs</p> <p>A3 Economic Impact Study</p> <p>A4 HR Competence Development Program</p> <p>A5 Benchmark of BSR regions</p> <p>A6 Network events BSR IPAs</p> <p>A7 Cross Border Value Chain Mapping</p>	<p>B1 Branding BSR region</p> <p>B2 Combined event visits</p>	<p>C1 Targeted marketing niche sectors</p> <p>C2 'Tour de BSR' for VCs</p> <p>C3 Cross Border Cluster Development</p> <p>C4 Additional funding through EU programs</p> <p>C5 Joint promotion in large overseas markets (China, US e.g)</p>

All 14 actions have been tested on their feasibility by a web questionnaire that was send out to a total of 40 different IPAs active in the BSR region. The 14 actions are described in the following pages.

A Learning & sharing

A1 Shared research/intelligence

Description

Research for a (to be formed) group of BSR IPAs focused on e.g.

- product data (per location, what is the regional business proposition)
- customer intelligence
- market intelligence (sector and geography (E.g. Russia, China))

Rationale

- shared costs
- more in-depth research possible, 'smarter' questions can be picked up

Ambition/commitment

- three projects per year
- at least 5 participating IPAs
- costs shared over all participating IPAs

Concrete steps	IAI	IPAs	External parties	Total effort (days)
A1.1 Define research topic <ul style="list-style-type: none"> • Identify topics where research or market intelligence can benefit a group of IPAs <ul style="list-style-type: none"> • E.g.: trends on Mergers & Acquisitions, potential investors that are looking for a new location, developing industries in China looking for overseas investments etc. • Based on earlier meetings BDF and consultation of BSR IPAs 	9			9
A1.2 Identify IPAs that want to cooperate <ul style="list-style-type: none"> • During IAI network events (see action A6) or by approaching BSR IPAs 	9			9
A1.3 Form team or select consultant <ul style="list-style-type: none"> • Form a team of BSR IPAs experts for performing the research or • Select a consultant for the research work 		5	2 ¹⁾	5 2
A1.4 Agree on effort or cost sharing <ul style="list-style-type: none"> • Agree on the effort (manpower) needed for the research. IPAs can supply skilled employees for a given number of days • In case a consultant is hired: agree on costs and how to share costs between the participating IPAs 		50	50 ¹⁾	50
Total effort	18	55	52	73²⁾

1) Only relevant when using an external consultant

2) Excluding external parties, this is only relevant when using a consultant

A2 KPI measuring and evaluation for BRS IPAs

Description

- Annual assessment of BSR IPAs performance
 - number of projects won & number of jobs created
 - quality of service delivery to clients
 - evaluation of staff performance
- Including recommendations on performance improvement

Rationale

- Uniform approach, apple-to-apple comparison BSR IPAs
- Independent assessment
- Shared costs
- Identify underperformers

Ambition

- at least 5 participating IPAs
- annual recommendations and action plan for improving performance

Concrete steps	IAI	IPAs	External parties	Total effort (days)
A2.1 Identify IPAs that want to participate				
<ul style="list-style-type: none"> • Prepare document that details the to be measured and evaluated KPI's 	4			9
<ul style="list-style-type: none"> • Approach IPAs and identify IPAs that want to participate. When successful more IPAs might join in a later phase 	5			
A2.2 Initiate the project				
<ul style="list-style-type: none"> • Select independent consultant to perform annual measurement, evaluation and to give recommendations for improvement 	1	2		3
<ul style="list-style-type: none"> • Agree on acceptable costs/workload for consultant 			40	40
A2.3 Implement recommendations				
<ul style="list-style-type: none"> • Use recommendations to further improve the quality of all main KPI's 		50 ²⁾		50
Total effort	10	52	40	102

1) 8 days per participating IPA, independent consultant to perform the 40 day assessment

2) Individual additional action for participating IPAs (5 participating IPAs x 10 days for the action = 50 days)

A3 Economic impact study

Description

- Assessment of contribution FDI projects to the national/regional BSR economies

Rationale

- Understanding the impact of FDI on the regional/national economy can be a powerful tool to justify maintaining or building out the current IPA organisation
- Steer future effort in FDI attraction based on past success
- Uniform and independent approach for assessing economic impact

Ambition

- 5 participating IPAs
- Full cost sharing

Concrete steps	IAI	IPAs	External parties	Total effort (days)
A3.1 Define what factors will be assessed <ul style="list-style-type: none"> • E.g.: growth number of jobs, contribution to further development existing clusters, supplier relation foreign companies with existing regional companies, additional foreign companies moving in attracted by the growing cluster, new knowledge that entered the region, improved skills workforce in a certain field etc. 	1	2		3
A3.2 Test interest among IPAs <ul style="list-style-type: none"> • Consult BSR IPAs on interest to participate 	3			3
A3.3 Hire independent party for study <ul style="list-style-type: none"> • Hire independent party for assessing the economic impact of FDI to the economy 			40	40
A3.4 Adjust marketing focus <ul style="list-style-type: none"> • Use result of the economic impact study to focus future marketing on economic sectors with strong economic impact 		15 ¹⁾		15
Total effort	4	17	40	61

1) Depending on identified opportunities, individual action for the participating IPAs. Estimated at 3 days for each of the 5 IPAs = 52 days.

A4 HR Competence Development Program

Description

- Training program to further develop competences of different employee levels within BSR IPAs, e.g.
 - Annual introduction course on acquisition skills and client services aimed at new employees
 - Dedicated courses for Senior staff (e.g. recent FDI trends, IPA response to corporate challenges, location pattern R&D projects, value propositions etc.)

Rationale

- Shared costs for training programs that focus on skills relevant for all BSR IPAs
- Dedicated program in line with skill level employees (junior/senior staff etc.)

Ambition:

- Organise three trainings per year
- At least four participating IPAs per training

Concrete steps	IAI	IPAs	External parties	Total effort (days)
A4.1 Define topic				
<ul style="list-style-type: none"> • Identify needs of IPAs in the field of training courses (topics, level of training, etc.) 	5			5
A4.2 Offer trainings course				
<ul style="list-style-type: none"> • Inform BSR IPAs on training program for the three trainings and offer possibility to participate 	3			3
<ul style="list-style-type: none"> • Hire trainers 	3		15 ¹⁾	18
<ul style="list-style-type: none"> • Trainings day(s) 		24		24
Total effort	11	24	15	50

1) Three trainings per year, per training 3 days of preparation and 2 days of actual training

2) Estimate based on 4 IPAs with on average 2 employees participating in the training.

A5 Benchmark of the BSR

Description

- Benchmark BSR region for three types of projects
 - Manufacturing
 - Shared Service Centers
 - R&D

Rationale

- Understand on a high level what key strengths and USP's the different regions offer
- Result can be used as input for potential actions C3 Cross Border Value Chain mapping and C4 Cross Border Cluster Development

Ambition

- Participation of all 10 BSR IPAs (national level)

Concrete steps	IAI	IPAs	External parties	Total effort (days)
A5.1 Select consultant				
<ul style="list-style-type: none"> • Write request for proposal and reach out to selection of independent consultants 	5			5
A5.2 Work on benchmark				
<ul style="list-style-type: none"> • 4 days per benchmark region. Focus on cost, quality and risk factors 			40	40
<ul style="list-style-type: none"> • Cooperation IPAs (in data gathering) expected 		10		10
Total effort	5	10	40	55

A6 Network events BSR IPAs

Description

- Regular network meetings for BSR IPAs (comparable to BSR IPA meetings in recent years)

Rationale

- Learn from each other
- Strengthen network
- Opportunity to address and discuss topics/market developments that are relevant for IPAs in the Region

Ambition

- Three meetings per year

Concrete steps	IAI	IPAs	External parties	Total effort (days)
A6.1 Organise meetings <ul style="list-style-type: none">• Organise three meetings per year	9			9
A6.2 Set agenda for the meetings <ul style="list-style-type: none">• Define relevant topics for the Region, invite speakers, and distribute material among the participants	18			18
Total effort	27			27

A7 Cross border value chain mapping

Description

- Identification of cross border value chains in the BSR with potential for integration

Rationale

- Identification of complementary competences in different regions, but in one and the same value chain, result in a stronger business proposition for the larger region (for example R&D in Helsinki combined with production in Riga)
- Potential to offer more complete solution to potential investors

Ambition

- Identification of 3 border crossing value chains
- Participation of 2 or more IPAs per value chain

Concrete steps	IAI	IPAs	External parties	Total effort (days)
A1.1 Consult IPAs on potential cross border value chains and select top-3 with most potential <ul style="list-style-type: none"> • Check and challenge first ideas: Maritime sector, metal processing, Food production and the Timber industry 	15			15
A2.2 Map value chain <ul style="list-style-type: none"> • IPAs with interesting clusters/ developing niches in the same field look potential complementary activities 		10		10
A2.3 Report <ul style="list-style-type: none"> • Prepare report on interesting complementary activities within a value chain (the value chain map) 		5		5
A2.4 Marketing <ul style="list-style-type: none"> • Use the value chain map in the actions B2 Combined event visits, C6 Joint promotion overseas markets and in case relevant in C1 Targeted marketing of niche sectors 		0 ¹⁾		
Total effort	15	15		30

1) Effort in actions B2, C1 and C6

B General promotion

B1 Branding BSR as one region

Description

- Marketing the Baltic Sea Region as one coherent investment region

Rationale

- Being part of a larger region allows a stronger marketing message
 - More inhabitants (larger workforce, more consumers)
 - Stronger competences (border-crossing clusters and value chains)
- Especially useful in distant markets like China, India, the US and Brazil where most of the individual smaller BSR countries or regions probably are not on the radar
- Country or larger region specific marketing around a specific theme can be supported by using the 'Baltic Sea Region brand'

Ambition

- Reach a larger pool of potential investors in distant markets
- Provide support tool for individual marketing of specific regions within the BSR

Concrete steps	IAI	IPAs	External parties	Total effort (days)
B1.1 Develop website <ul style="list-style-type: none"> • Main contents: <ul style="list-style-type: none"> • High level general background (nr. of inhabitants, location in Europe etc.) • Overview border crossing clusters and value chains • Unique Selling Points per region 	25			25
B1.2 Develop promotion materials <ul style="list-style-type: none"> • Develop brochures that explain the characteristics and key strengths of the Baltic Sea Region. This basic presentation can be used to grasp first attention during events where BSR IPAs are present or in joint promotion in larger overseas markets (action B3) and is meant to support more dedicated marketing aimed at specific regions or clusters 	15			15
B1.3 Use developed promotion materials <ul style="list-style-type: none"> • Website and marketing materials can be used in the marketing of individual BSR IPA regions, at events, fairs etc. 				
Total effort	40			40

B2 Combined event visits

Description

- Identify suitable events to visit as one region (e.g MIPIM, Hannover Messe, BIO US or BIO Europe)

Rationale

- Larger stands
- Lower costs
- Pooled resources, on fairs for example it is possible to have sales managers promoting more than one country/ region (lower costs, larger reach)

Ambition

- At least 4 IPAs for combined visit
- Visit 3 events per year

Concrete steps	IAI	IPAs	External parties	Total effort (days)
B2.1 Select events <ul style="list-style-type: none"> • Reach out to IPAs to learn what is on their event calendar • Test interest in combined visit 	5			5
B2.2 Visit events <ul style="list-style-type: none"> • Use promotion material as produced in action B1 Branding BSR • For dedicated events (e.g. Bio or Mipim), more dedicated promotion materials from the different regions can be made available for potential investors in the BSR • The result of actions C3 Cross Border Value Chain Mapping and C4 Cross Border Cluster Development can be valuable input for events 		24 ¹⁾		24
B2.3 Feedback for IPAs that did not visit event and follow up <ul style="list-style-type: none"> • Prepare overview of potential interested parties in the BSR • Follow up on contacts 		4		4
Total effort	5	28		33

1) Based on 3 events per year, 4IPAs participating per event and 2 days per event = 24 days

C Targeted actions

C1 Targeted marketing on niche or emerging sub sectors

Description

- Combined marketing on niches or emerging sub sectors where several IPAs have a focus on

Rationale

- Marketing a larger region/ more marketing power
- More leads can be identified
- What is good for the larger region is good for the individual members
- Larger budget to spent on niche/ sub-sector

Ambition

- Three targeted actions per year
- At least 4 participating IPAs

Concrete steps	IAI	IPAs	External parties	Total effort (days)
C1.1 Consult IPAs on promising niche sectors and select top-3 with most potential <ul style="list-style-type: none"> • Check and challenge first ideas: ICT/ Human gaming/ cleantech (Arctic Clean tech technologies e.g)/ Peet mining (Finland, Sweden, Estonia Baltic Sea Competence Centre) • Identify opportunities for cooperation 	10			10
C1.2 Develop value proposition <ul style="list-style-type: none"> • Prepare presentation on USP's within the niche/ sub-sector 		15 ¹⁾		15
C1.3 Target database <ul style="list-style-type: none"> • Compile database of companies already active in the niche/ sub-sector • Approach companies with value proposition • Follow up by phone 		15 ¹⁾ 2 ¹⁾ 20 ¹⁾		37
Total effort	10	52		62

1) Total for 3 actions

C2 Tour de BSR for Foreign Venture Capitalists

Description

- Organisation & planning of a virtual introduction tour for Venture Capitalists looking for investment opportunities

Rationale

- Access to (risk) capital is key for knowledge intensive emerging sectors. Showing what opportunities the BSR has to offer can attract funding for promising niches/ sub-sectors

Ambition

- Participation of 10 IPAs
- Invite 20 Venture Capitalists for the tour

Concrete steps	IAI	IPAs	External parties	Total effort (days)
C2.1 Identify most promising knowledge intensive emerging sectors <ul style="list-style-type: none"> • Consult IPAs for selecting sectors 	3			3
C2.2 Identification top 20 Foreign Venture Capitalists in the World for selected target sectors/subsectors <ul style="list-style-type: none"> • Desk research 	3			3
C2.3 Invite Venture Capitalists and prepare program <ul style="list-style-type: none"> • Organise virtual tour with promising niche sectors 	5	15		20
C2.4 Tour for Venture Capitalists <ul style="list-style-type: none"> • 2 day meeting with VC's and local BSR IPA representatives to present investment opportunities in the BSR. 	2	20		22
Total effort	15	35		50

C3 Cross border cluster development

Description

- Identify border crossing clusters and look for opportunities to further develop them. Action A6 Cross Border Value Chain Mapping potentially gives a first indication on cross border clusters

Rationale

- Opportunity to use full potential of complementary skills in different regions but within the same cluster

Ambition

- At least 3 participating IPAs

Concrete steps	IAI	IPAs	External parties	Total effort (days)
C3.1 Identify cross border clusters <ul style="list-style-type: none"> • Consult IPAs on potential cross border clusters, e.g.: <ul style="list-style-type: none"> • Cleantech sub sectors (Oxford research): • Large cross border projects in the maritime sector, offshore/wind power and waste management • BSR as test bed for existing or new technologies and business areas: Mobile Health and Automotive security 	5			5
C3.2 Identify opportunities for further development <ul style="list-style-type: none"> • Opportunities can be cooperation, research, shared use of facilities like laboratories, disclose knowledge (universities or high tech companies) • Work out plan for cluster development 		10		10
C3.3 Work on realizing opportunities <ul style="list-style-type: none"> • Implement cluster development plan 		20		20
Total effort	5	40		45

C4 Additional funding through EU programs

Description

- EU programs can give access to additional funds for cooperating IPAs focusing on specific themes. It is important to first identify a theme for cooperation and get commitment from participating IPAs, EU funding should be the 'cherry on the cake', not the key reason for starting the project. The next step is to assess whether there are EU programs that are in line with the theme for cooperation.

Rationale

- Lower project costs
- (Longer term) commitment from participating IPAs

Ambition

- 2 projects per year

Concrete steps	IAI	IPAs	External parties	Total effort (days)
A1.1 Identify cooperation theme <ul style="list-style-type: none">• Select projects and get commitment from IPAs that want to cooperate (look at action list for this)	20			20
A2.2 Write proposal <ul style="list-style-type: none">• Hire consultant or use expertise of participating IPAs		15		15
Total effort	20	15		35

C5 Joint promotion large overseas markets

Description

- Promotion of the BSR in large overseas markets China, USA and Brazil

Rationale

- Shared effort to have larger reach and lower costs
- China: high priority within all IPAs, both economical & political aspects influence FDI from China. Although limited at this point in time, Chinese investment is rising fast and around 70% comes to Europe
- USA: one of the largest investors in the world and CEE
- Brazil: strong upcoming market

Ambition

- At least 5 participating IPAs

Concrete steps	IAI	IPAs	External parties	Total effort (days)
C5.1 Decide on topic <ul style="list-style-type: none"> Niche sector, border crossing clusters or value chains 	3			3
C5.2 Prepare value propositions <ul style="list-style-type: none"> Short document describing USP's participating regions in the field of the selected topic Potentially the value propositions created for C1 Targeted marketing on niche or emerging sub sectors can be used 		10		10
C5.3 Approach companies <ul style="list-style-type: none"> Compile database of 25 companies per topic in targeted markets Approach companies by phone, be ready to represent all participating regions based on their region specific USP's. Test potential interest in location in the BSR 		10		10
		15		15
Total effort	3	35		38

Overview combined effort IAI, IPA's and external parties

The effort in manpower needed to realise the 14 actions, is summarised for each of the stakeholders in the table below.

Table 2.2 Overview effort in manpower per stakeholder and proposed action

Actions	IAI	IPAs	External parties	Total effort (days)
A Learning & sharing				
A1 Shared research	18	55		73
A2 KPI measuring	10	52	40	102
A3 Economic Impact	4	17	40	61
A4 HR Development	11	24	15	50
A5 Benchmark	5	10	40	55
A6 Network events	27			27
A7 Value Chain Mapping	15	15		30
B General promotion BSR				
B1 Branding BSR	40			40
B2 Combined event visits	5	28		33
C Targeted actions				
C1 Targeted marketing	10	52		62
C2 VC's Tour de BSR	15	35		50
C3 Cluster Development	5	40		45
C4 EU funding	20	15		35
C5 Joint promotion	3	35		38
Total effort (days)	188	378	135	701

2.3 Preferred actions by IPAs

The web based questionnaire has been sent out to 40 different IPAs in the BSR. Main goal was to identify the feasibility of the proposed 14 actions. The survey contains 3 open questions and 14 closed questions (one per action) with the following potential answers:

- Good idea, would like to participate
- Good idea, will consider to participate
- Good idea, but currently not relevant for our organisation (potentially in the future)
- Not in line with our organisations strategy/targets, we do not participate
- We do not want to co-operate in this field

The survey is anonymous, the identity of the organisations was only used to check if an organisation responded more than once. 35 respondents have answered the questionnaire, and 2 organisations answered the survey twice. In sum: 33 questionnaires have been used in the following overview of the response.

Results closed questions

The following table gives an overview of the response of the IPAs to the closed questions.

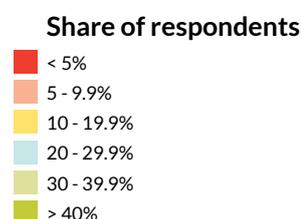


Table 2.3 Response to the 14 closed questions per answer category (in percentage)

	A1	A2	A3	A4	A5	A6	A7
	Shared research/intelligence	KPI measuring and evaluation for BRS IPAs	Economic impact study	HR Competence Development Program	Benchmark of BSR regions	Network events BSR IPAs	Branding BSR as one region
Good idea, would like to participate	12 %	15 %	15 %	24 %	23 %	39 %	29 %
Good idea, will consider to participate	36 %	36 %	42 %	48 %	39 %	42 %	26 %
Good idea, but currently not relevant for our organisation	36 %	30 %	21 %	18 %	16 %	10 %	13 %
Not in line with our strategy/targets, we do not participate	9 %	12 %	15 %	3 %	16 %	6 %	19 %
We do not want to co-operate in this field	6 %	6 %	6 %	6 %	6 %	3 %	13 %
Total	100 %	100 %	100 %	100 %	100 %	100 %	100 %

	B1	B2	C1	C2	C3	C4	C5
	Combined event visits	Targeted marketing on niche or emerging sub sectors	Tour de BSR for Foreign Venture Capitalists	Cross border cluster development	Cross border value chain mapping	Additional funding through EU programs	Joint promotion large overseas markets
Good idea, would like to participate	19 %	19 %	23 %	16 %	35 %	42 %	26 %
Good idea, will consider to participate	23 %	42 %	29 %	39 %	19 %	26 %	19 %
Good idea, but currently not relevant for our organisation	29 %	29 %	19 %	16 %	23 %	19 %	32 %
Not in line with our strategy/targets, we do not participate	19 %	3 %	19 %	23 %	16 %	6 %	16 %
We do not want to co-operate in this field	10 %	6 %	10 %	6 %	6 %	6 %	6 %
Total	100 %	100 %	100 %	100 %	100 %	100 %	100 %

Combining and ranking the answer-categories that indicate an IPA will potentially participate in the proposed actions ('Good idea, would like to participate' and 'Good idea, will consider to participate') gives the below overview:

Table 2.4 Ranking of the 14 actions based on the combined answer categories 'Good idea, would like to participate' and 'Good idea, will consider to participate'

Action	# IPA's	Percentage	Legend
A6 Network events BSR IPAs	25	81%	Very strong support (> 70%)
A4 HR Competence Development Program	24	73%	Strong support (60-70%)
C4 Additional funding through EU program	21	68%	Strong support (60-70%)
C1 Targeted marketing on niche or emerging sub sectors	19	61%	Strong support (60-70%)
A5 Benchmark of BSR	19	61%	Strong support (60-70%)
A3 Economic impact study	19 ¹⁾	58% ¹⁾	Fair Support (50-60%)
A7 Cross border value chain mapping	17	55%	Fair Support (50-60%)
C3 Cross border cluster development	17	55%	Fair Support (50-60%)
B1 Branding BSR as one region	17	55%	Fair Support (50-60%)
C2 Tour de BSR for Foreign Venture Capitalists	16	52%	Fair Support (50-60%)
A2 KPI measuring and evaluation for BRS IPAs	17	52%	Fair Support (50-60%)
A1 Shared research/intelligence	16	48%	Less support (40-50%)
C5 Joint promotion large overseas markets	14	45%	Less support (40-50%)
B2 Combined event visits	13	42%	Less support (40-50%)

1) Two respondents left a few questions unanswered. For this reason the percentage of IPA's that responded positively is for some questions related to a total of 33 and for some other questions to a total of 31 given answers.

Conclusions closed questions

Very strong support for proposed action (> 70%)

The BSR IPAs are very open for participating in network events (25) and in HR development programs for their staff (24). Both actions require relatively limited effort and resources.

Strong support for proposed action (60%-70%)

For 3 actions there is strong support: Additional funding through EU programs (68%), Targeted marketing on niche or emerging sub sectors (61%) and for a Benchmark of Baltic Sea regions (61%).

Fair support for proposed action (50%-60%)

Another 6 actions are received fairly well: Economic impact study, Cross border value chain mapping, cross border cluster development, branding BSR as one region, tour de BSR for Foreign Venture Capitalists and KPI measuring and evaluation for BRS IPAs

Less support (40%-50%)

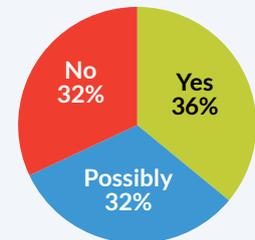
Three action that received less support are Shared research/intelligence, Joint promotion large overseas markets and Combined event visits (all between 42% and 48%). Still the action with lowest support (combined event visits, 42%) can count on 13 IPAs that (potentially) would like to participate

Results open questions

The response to the open questions was:

Open question 1: Would you support an independent organisation to coordinate the action? (answered by 25 organisations)

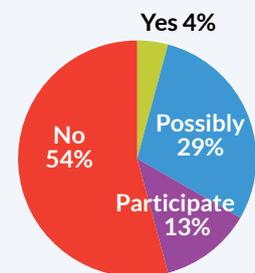
Yes	9 respondents
Possibly/ we will consider this	8 respondents
No	8 respondents



As alternatives for an independent organisation the option of a rotating IPA leadership model was mentioned twice.

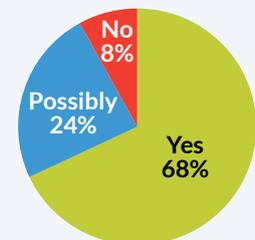
Open question 2: Would your organisation be willing to contribute to the costs of such an organisation (answered by 24 organisations)

Yes	1 respondent
Possibly/we will consider this	7 respondents
Only when we participate in an action	3 respondents
No	13 respondents



Open question 3: Would your organisation be willing to make manpower available for the actions you would like to participate in? (answered by 25 organisations)

Yes	17 respondents
Possibly,we will consider this	6 respondents
No	2 respondents



Conclusions

- Having an independent organisation in place to coordinate the actions is supported by 9 IPAs and another 8 IPAs will consider supporting this. Overall this idea seems to be received fairly well.
- Not that many IPAs are open for a financial contribution to such an organisation or have the resources to do so. A few will consider this though, others will only contribute financially when they actually participate in a project.
- Most IPAs are willing to make manpower available when participating in an action.

2.4 Prioritising actions

Although the ambition to cooperate seems to be there in the BSR region, currently this is limited to participating in network events. To make cooperation more intense, also in fields where BSR IPAs compete (e.g. targeted marketing on niche sectors), some first successfully implemented actions will be important. Proven success leading to clear mutual benefits for the IPAs can be a strong basis for more and more intense cooperation in the future.

For this reason, BCI recommends to prioritise the actions, beginning with actions that are strongly supported already. Following the ranking of the 14 actions, four waves to prioritise the actions can be recognised:

Table 2.5 Prioritisation of actions

Prioritisation	Action	
First wave of priority	1. Network events BSR IPAs	} Year 1
	2. HR Competence Development Programme	
Second wave of priority	3. Additional funding through EU programme	
	4. Targeted marketing on niche or emerging sub sectors	
	5. Benchmark of BSR	
Third wave of priority	6. Economic impact study	} Year 2
	7. Cross border value chain mapping	
	8. Cross border cluster development	
	9. Branding BSR as one region	
	10. Tour de BSR for Foreign Venture Capitalists	
	11. KPI measuring and evaluation for BRS IPAs	
Fourth wave of priority	12. Shared research/intelligence	
	13. Joint promotion large overseas markets	
	14. Combined event visits	

Year 1 of the business plan

IAI should aim to implement at least the actions in the first two waves in year one. As forming coalitions for implementing the actions is time consuming, BCI recommends to already work on the third and fourth wave actions as well so they can be implemented in Year 2. During this first year of implementing the business plan, attention should be paid to seek interest among the BSR IPAs to repeat successful actions and to define new actions for cooperation in the years ahead.

Year 2 of the business plan

The third and fourth wave actions can be implemented in year 2 or, in case new actions as defined in year 1 have stronger support among the BSR IPAs, focus can be shifted towards the new actions or to repeat actions. Proven success in implementing the actions in the first two waves will have increased the interest to participate in the additional actions.

Chapter 3 Organisation & Finance

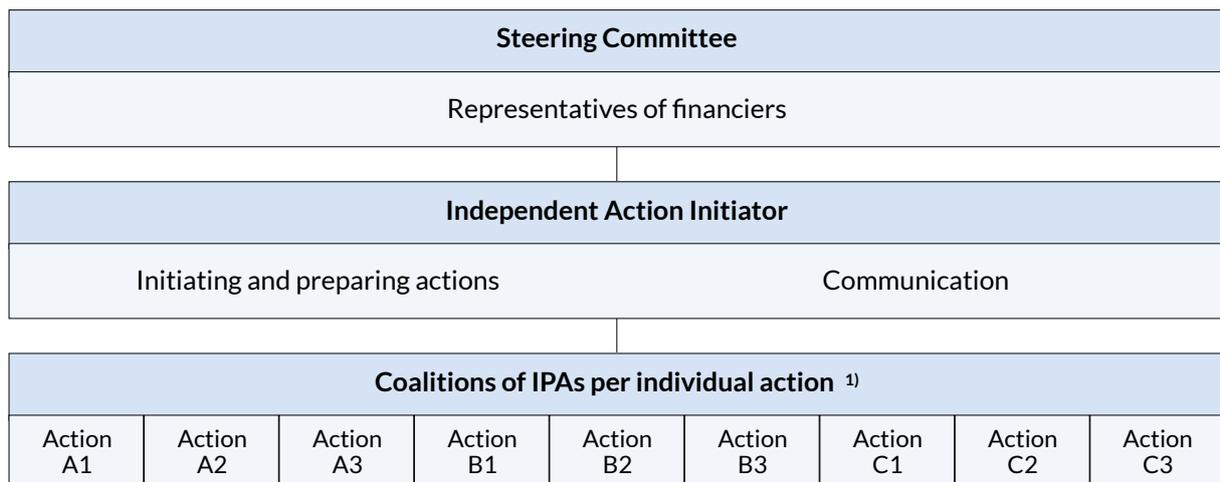
3.1 Organisation

For successfully implementing the 14 actions, BCI recommends to put an independent organisation in place (Independent Action Initiator, IAI) that is responsible for:

- Coordinating, initiating and preparing the actions
- Teaming up per action with participating IPAs when necessary

This IAI should be controlled by representatives of BSR IPAs and future financiers.

The organisation structure is than as follows:



1) For all the actions that will be realised a separate coalition of IPAs needs to be formed. Within the frame of this business plan this can add up to a total of 14 coalitions.

Steering committee

Currently BDF takes the role as 'honest broker' (or 'Independent Action Initiator' in terms of this business plan). BDF is funded by the ONE BSR Project, which in turn is funded for a large part by the Baltic Sea Region Programme 2007-2013. For the years ahead (the ONE BSR project ends in September 2014), funding is required from other sources. In the controlling body the future financiers should be represented.

Independent Action Initiator

The IAI is responsible for:

- Communication towards and between the IPAs
- Initiation of actions

Potentially, when invited by a coalition of IPAs, the IAI actively participates in the actions. This should happen on a cost basis: the coalition of IPAs pay for IAI services

To be successful, IAI should be characterised by 5 key aspects:

- Proactive attitude
- Strong regional network
- Enthusiastic and stimulating approach towards forming coalitions
- Understand the political sensitivities within the region
- Be persistent

Coalition of IPAs

Once a coalition of IPAs has been formed around a certain action, they will be responsible for providing manpower and funding for the tasks connected to the action

- One IPA takes the lead
- Together the IPAs work on performing the actions (potentially an external consultant is hired)

3.2 Headcount, costs and funding

Headcount and costs

The main task of the IAI will be initiating the 14 actions. IAI will need the following roles:

- Director 1 FTE
- Initiator of actions (partly the responsibility of the director) 1 FTE
- Communication/admin 0.5 FTE

The proposed budget is

Cost factor	Annual cost (Euro)	Total 4 year cost
1. Activities		
• Meetings	30.000	
• Communication	25.000	
2. Organisation		
• Director	110.000	
• Project initiator	65.000	
• Communication/admin	30.000	
• Office cost	30.000	
• Travel expenses	30.000	
Total cost	320.000	

Funding

Based on the web based questionnaire, there is limited interest among the BSR IPAs to fund IAI. In the opinion of BCI a strategic decision needs to be made. One option is to continue on the same route: organise a few networking events per year for BSR IPAs and build out the network. This will require relatively limited funding.

The second option is to take the cooperation to the next level and collaborate in concrete actions. If the IPAs have a serious ambition to collaborate in the coming years, some financial commitment is a necessity because an independent organisation like the IAI is essential in initiating the proposed business plan actions.

Potential financial sources are:

1. **IPAs:** there are many IPAs operating in BSR. For getting access to BSR IPA events and actions, an annual member fee should be obligatory. The annual fee can depend on size, geographical level (national/ regional or city level) and available financial resources.
2. **Consultancy services IAI:**
 - IAI can play a role in executing the actions (e.g. a coordinating role), for which a fee can be granted by the participating IPAs
 - IAI plays an important role in initiating the actions. When actions are running successfully, a 'success fee' can be rewarded to IAI by the participating IPAs.
3. **European funding:** for financing a rather small organisation (1-3 FTE), EU funding is not available. Chances to get access to EU funding are much better under the umbrella of a larger program in the second term or the Baltic Sea Region Programme (2014-2020). It is not expected however that funding from this source will be available before the end of 2015.

Annexe I High level analysis IPAs profiles

- A Governance & funding
- B Investment promotion departments: staff & budgets
- C Office network
- D Marketing approach
- E Targets: investment types, sectors of industries & geographies
- F FDI results

A Governance & funding

IPA	Geographical level	Public	Public/private	Private
Business Sweden	National	-	X	-
Enterprise Estonia	National	X	-	-
Invest in Latvia	National	X	-	-
Invest in Norway	National	X	-	-
Invest in Poland	National	X	-	-
Greater Helsinki Promotion	Regional	X	-	-
Lappeenranta business & innovation	Regional	X	-	-
Copenhagen Capacity	Local	-	X	-
Gdansk Development agency	Local	X	-	-
Hamburg Economic Development Board	Local	X	-	-

Source: Interviewed IPAs within the Baltic Sea Region, 2014

B Investment promotion department: staff & marketing budget

	Number of employees (fte)	Marketing budget (Euro)
Business Sweden	60	Not disclosed
Enterprise Estonia	15	1 mln (2013)
Invest in Latvia	25 (of which 11 HQ, 14 abroad)	500.000-700.000
Invest in Norway	1	No special funding for marketing, can utilize resources in Innovation Norway and the other organisations on special actions/projects
Invest in Poland	40	400.000 (for promotion)
Greater Helsinki Promotion	20	97.000 (excl. personnel cost)
Lappeenranta business & innovation	2,5	100.000 (incl. personnel cost)
Copenhagen Capacity	15	Not disclosed
Gdansk Development agency	5	Not disclosed
Hamburg Economic Development Board	15	Not disclosed

Source: Interviewed IPAs within the Baltic Sea Region, 2014

C Office network (excl. HQ)

	Total	Europe	US	Rest of Americas	Asia			Russia	Other
					China	Japan	Rest		
Business Sweden	>45	24	4	5	5	1	10	2	11
Enterprise Estonia	8	4	1	-	1	1		1	-
Invest in Latvia	14	9	-	-	1	1	-	1	2
Invest in Norway	35	v	v	-	v	v	v	v	-
Invest in Poland	2	-	-	-	2	-	-	-	-
Greater Helsinki Promotion	1	-	1	-	1	-	-	1	-
Lappeenranta business & innovation	1	-	-	-	-	-	-	1	-
Copenhagen Capacity	0	-	-	-	-	-	-	-	-
Gdansk Development agency	0	-	-	-	-	-	-	-	-
Hamburg Economic Development Board	10	1 (Fin)	-	-	3	1	2	1	2

Source: Interviewed IPAs within the Baltic Sea Region, 2014

Poland cooperation with Trade & Investment promotion within the Polish Embassies, and COI (Regional Investor Assistance Centers). HWF has up to the 10 HWF-Representatives abroad (specific countries have not been specified).

D Marketing approach

	Proactive	General	Intermediates
Business Sweden			
Enterprise Estonia			
Invest in Latvia			
Invest in Norway			
Invest in Poland			
Greater Helsinki Promotion			
Lappeenranta business & innovation			
Copenhagen Capacity			
Gdansk Development agency			
Hamburg Economic Development Board			

Source: Interviewed IPAs within the Baltic Sea Region, 2014

Invest in Norway's marketing approach is mostly reactive. The organisation utilize the network of Invest in Norway-offices abroad and embassies.

E Targets: Investment types

	(regional) HQ	R&D	Manufacturing	Distribution	Services
Business Sweden	v	v	v	v	
Enterprise Estonia			v		v
Invest in Latvia					v
Invest in Norway			No special forms		
Invest in Poland		v	v		v
Greater Helsinki Promotion	v	v			
Lappeenranta business & innovation			No special forms		
Copenhagen Capacity	v	v		v	v
Gdansk Development agency	v		v		v
Hamburg Economic Development Board			No special forms		

Source: Interviewed IPAs within the Baltic Sea Region, 2014

E1 Targets: sectors of industry

	Logistics	Maritime	Business support centres (IT/BPO/CC/SSC/Data/KPO)	Oil/gas	Metal/Machinery/electronics/mechanical engineering	Automotive/Aviation
Business Sweden	v				v	
Enterprise Estonia		v	v		v	
Invest in Latvia	v		v		v	
Invest in Norway		v		v		
Invest in Poland			v		v	v
Greater Helsinki Promotion						
Lappeenranta business & innovation	v				v	
Copenhagen Capacity	v					
Gdansk Development agency	v		v			
Hamburg Economic Development Board	v	v				v

Source: Interviewed IPAs within the Baltic Sea Region, 2014

E2 Targets: sectors of industry

	Wood	Clean tech	Life sciences incl. biotech, healthcare	Food incl. seafood	ICT/Creative industry	Other
Business Sweden		v	v			
Enterprise Estonia	v	v	v		v	
Invest in Latvia	v	v	v	v		
Invest in Norway		v	v	v		
Invest in Poland			v	v	v	
Greater Helsinki Promotion		v	v		v	
Lappeenranta business & innovation		v				v
Copenhagen Capacity		v	v		v	
Gdansk Development agency					v	
Hamburg Economic Development Board		v			v	

Source: Interviewed IPAs within the Baltic Sea Region, 2014

E3 Target geographies

	Europe	North America	Rest of Americas	Asia			Russia	Other
				China	Japan	Rest		
Business Sweden	x	x	x	x		x	x	x
Enterprise Estonia	x	x		x		x		
Invest in Latvia	x	x		x	x		x	x
Invest in Norway	(x)	(x)		(x)	(x)	(x)		
Invest in Poland	x (West)	x		x	x			
Greater Helsinki Promotion	x	x		x			x	
Lappeenranta business & innovation							x	
Copenhagen Capacity	x			x	x	x		
Gdansk Development agency	x	x		x	x	x		
Hamburg Economic Development Board	x			x	x	x	x	x

Source: Interviewed IPAs within the Baltic Sea Region, 2014

Norway has no particularly focus on target geographies. However the US, Nordics, East-Asia and Europe are the core areas.

F FDI results 2011-2013

	Number of projects			Number of jobs		
	2011	2012	2013	2011	2012	2013
Business Sweden	70-100	70-100	70-100	n.a.	n.a.	n.a.
Enterprise Estonia	24	34	26	800	930	450
Invest in Latvia	17	15	33	944	1,249	1,601
Invest in Norway		-			-	
Invest in Poland	52	53	53	9,526	10,284	18,963
Greater Helsinki Promotion	59	91	86	2,363	2,126	2,084
Lappeenranta business & innovation	11	16	13	26	32	30
Copenhagen Capacity	32	30	22	824	828	747
Gdansk Development agency	5	11	8	580	1,445	1,01
Hamburg Economic Development Board	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Source: Interviewed IPAs within the Baltic Sea Region, 2014

Business Sweden try to measure quality of FDI projects and not to count created jobs.

Annexe II Profiles Investment Promotion Agencies BSR

- A Business Sweden
- B Enterprise Estonia
- C Invest in Latvia
- D Invest in Norway
- E Invest in Poland
- F Greater Helsinki Promotion
- G Lappeenranta business & innovation
- H Copenhagen Capacity
- I Gdansk Development Agency
- J Hamburg Economic Development Board



A Business Sweden

Main elements	Sub elements	
Organisation structure	Funding	Public and Private
	Number of employees	> 60 in the field of FDI promotion
	Main stakeholders	jointly owned by the Swedish government and the industry, represented by the Ministry for Foreign Affairs and the Swedish Foreign Trade Association
	Office network	HQ: Stockholm, Abroad: Offices in 57 countries (Worldwide)
Mission	Objectives and goals	Business Sweden facilitates for companies in Sweden to grow internationally and for foreign actors to invest in Sweden.
Main targets	Sectors of industry	Health Care & Life Sciences, Energy and Environmental Technology, Logistics, ICT, Manufacturing (BioBased materials, Engineering and Packaging, Metals and Mining)
	Target geographies	Neighboring: Norway, Denmark, Finland Mature Industry: USA, Canada, Japan, Germany, GB, France Emerging: Brazil, Russia, China, India, South Korea, Poland, Mexico, South Africa, Indonesia, United Arab Emirates, and Turkey
Main activities	Offered services	Attracting – Facilitating
	Marketing approach	Pro-active approach – General marketing (events/ workshops) – Intermediary
Results 2011-2013	Number of FDI projects	70-100 each year
	Number of jobs created	We don't count jobs. Try to measure quality
	e.g. greenfield 2011 – 2013	Cepheid (Manufacturing), Decathlon, Facebook, Sykes, Google, Sephora
Marketing budget		?

Sources: Business Sweden, 2014, CIA Factbook, 2014, UNCTAD, 2014

B Enterprise Estonia



Main elements	Sub elements	
Organisation structure	Funding	National government
	Number of employees	15 in the field of FDI promotion (incl 2 part-time)
	Main stakeholders	Ministry of Economic Affairs and Communications
	Office network	HQ: Tallinn. FDI promotion offices abroad: Europe (Helsinki, Stockholm, London, Hamburg, St. Petersburg), Asia (Shanghai, Tokyo), USA (San Francisco)
Mission	Objectives and goals	To increase the awareness of business opportunities in Estonia and enhance the image of Estonia as an attractive investment destination.
Main targets	Sectors of industry	Business services, ICT, Manufacturing (Electronics, Mechanical engineering, Wood, Maritime industry), Cleantech, Biotech
	Target geographies	Mainly Europe, also Japan and China. West Coast USA for start-up support.
Main activities	Offered services	Detailed business information Site visits to Estonia Assistance in setting up a business Aftercare services
	Marketing approach	Pro-active approach – General marketing (events/ workshops/internet/publications)
Results 2011-2013	Number of FDI projects	2011: 24 FDI Projects 2012: 34 FDI Projects 2013: 26 FDI Projects
	Number of jobs created	2011: 800 jobs 2012: 930 jobs 2013: 450 jobs
	Examples greenfield investments 2011 – 2013	2011: Aienza & Climet (manufacturing, 20 jobs) 2012: Vaasan Group (food production, 100 jobs); Kühne+Nagel IT center (200 jobs) 2013: Takoma OY (manufacturing, 50 jobs)
Marketing budget	FDI marketing budget	1 MEUR (2013)

Sources: Enterprise Estonia, 2014, CIA Factbook, 2014, UNCTAD, 2014

C Invest in Latvia



Main elements	Sub elements	
Organisation structure	Funding	National government and EU funds (ERAF)
	Number of employees	230 in total, of which 25 in FDI Promotion (11 in HQ and 14 abroad)
	Main stakeholders	Ministry of Economics of the Republic of Latvia
	Office network	HQ: Riga, Abroad: 14 foreign representatives: Germany, UK, France, Netherlands, Poland, Lithuania, Norway, Sweden, Denmark, Russia, Ukraine, Belorussia, China and Japan
Mission	Objectives and goals	To promote business development by facilitating more foreign investment, and in parallel increasing the competitiveness of Latvian entrepreneurs in both domestic and foreign markets
Main targets	Sectors of industry	IT/SSC/BPO/Data centers; Metal Working, Machinery and Electronics; Woodworking; Logistics; Green technology; Life Sciences; Food Processing; Healthcare
	Target geographies	Germany, UK, Sweden, Norway, Denmark, Finland, Netherlands, France, Japan, USA, Israel, Russia, Kazakhstan, China, India.
Main activities	Offered services1	Targeting - Attracting - Facilitating - Monitoring - After Care
	Marketing approach1	Pro-active approach – General marketing (own events/ workshops) – marketing via intermediates
Results 2011-2013	Number of FDI projects (per sector)	2011: Total – 55; Manufacturing – 39; Services – 16; Positive decisions - 17 2012: Total – 90; Manufacturing – 55; Services – 35; Positive decisions - 15 2013: Total – 176; Manufacturing – 97; Services - 79; Positive decisions - 33
	Number of jobs created	2011: 944 jobs 2012: 1249 jobs 2013: 1601 jobs
	E.g. FDI in 2011, 2012, 2013 Planned investment (mill., EUR):	2011: 72.55 2012: 33.6 2013: 81.23
Marketing budget		500,000 – 700,000 EUR

Sources: Investment and Development Agency of Latvia, 2014

4 Invest in Norway

Main elements	Sub elements	
Organisation structure	Funding	Innovation Norway (from 2014.)
	Number of employees	1 (however utilises competence/resources in the three owner agencies)
	Main stakeholders	Three governmental agencies; - Innovation Norway, The Research Council of Norway and SIVA (Industrial Development Corporation of Norway – providing real estate at industry and Science & Technology Parks)
	Office network	HQ: Oslo, Abroad: 35 countries (Europe, Russia, Asia, U.S.) through the Innovation Norway's international offices. Represented in all counties in Norway through the three owner agencies.
Mission	Objectives and goals	Invest in Norway, together with partners, supports foreign, value-creating companies to establish and run their business in Norway
Main targets	Sectors of industry	No exclusive sector target, but still a special focus on knowledge-intensive industries, R&D investments and companies that can strengthen our existing industry- and knowledge clusters. (like Oil and gas, maritime and the seafood sectors, and emerging industries as Renewable energy, the clean tech industry in general and the medical/biotechnology area)
	Target geographies	No official geo-focus, however the US, Nordics, East-Asia and Europe are the core areas.
Main activities	Offered services	The main gateway, information, evaluation of opportunities and network
	Marketing approach	Mostly "reactive". Utilises the network of IN-offices abroad and embassies.
Results 2011-2013	Number of FDI projects	Invest in Norway started as a pilot project in 2013, and it is too early to measure on FDI-projects.
	Number of jobs created	See above
	e.g. greenfield 2011 – 2013	See above
Marketing budget		No special funding for marketing, however can utilize resources in Innovation Norway and the other organisations on special actions/projects.

Sources: Invest in Norway, 2014



E Invest in Poland (PAIZ)

Main elements	Sub elements	
Organisation structure	Funding	National government.
	Number of employees	110 (active in promotion 40).
	Main stakeholders	Supervisory board: Ministry of the Economy, Ministry of the Treasury, Chambers of Commerce, consulting companies, recruitment companies, WPHI (Trade and Investment Promotion Sections of Polish Embassies), COI (Regional Investor Assistance Centers), MNE, government administration, international newspapers.
	Office network	HQ: Warsaw, Abroad: 2 representatives in China, Cooperation with WPHI (Trade and Investment Promotion Sections of Polish Embassies), and COI (Regional Investor Assistance Centers).
Mission	Objectives and goals	To support Poland's economic development, through activities that raise the inflow of foreign investments.
Main targets	Sectors of industry	Manufacturing (Automotive, Automotive, Aviation, ICT, Electronics / Household appliances, Biotech), Modern Services (SSC, BPO, KPO), R&D, Merchandising/Food.
	Target geographies	USA, Western Europe (Germany, France, UK), Japan, South Korea and China (as perspective market).
Main activities	Offered services	Attracting – Facilitating – Monitoring /After Care – Investor Development.
	Marketing approach	Pro-active approach – General marketing (events/ workshops) – marketing via Intermediates.
Results 2011-2013	Number of FDI projects (per sector)	2011: 52 FDI's, 2012: 53 FDI's, 2013: 53 FDI's.
	Number of jobs created	2011: 9526 jobs, 2012: 10 284 jobs, 2013: 18 963 jobs.
	e.g. greenfield 2011 – 2013	2011: Pilkington (automotive, 400 jobs), 3M (chemical, 250 jobs), TRW (automotive, 295 jobs), Nifco (automotive, 360 jobs), CSM Global (Food, 200 jobs), 2012: TJX (BPO, 1000 jobs), Faurecia (automotive, 570), Capita (BPO, 450), Ronal (automotive, 350), Ators Origin (ICT, 350), 2013: Amazon (logistics, 6000), IBM (ICT, 2000), Karczowa Logistics Park (logistics, 998), Somfy (800).
Marketing budget		Total budget of PAIIZ is ca EUR 3 mn; budget for promotion is ca EUR 400 thous.

Sources: Invest in Poland (PAIZ), 2014

F Greater Helsinki Promotion



Main elements	Sub elements	
Organisation structure	Funding	Public sources (e.g. cities of the Helsinki capital region and the Uusimaa Regional Council)
	Number of employees	~20
	Main stakeholders	National and regional government (e.g. Invest Finland)
	Office network	HQ: Helsinki, Abroad: 3 representatives in US, China & Russia
Mission	Objectives and goals	Identification of business opportunities for international companies in cooperation with private & public sector partners
Main targets	Sectors of industry	Company objective to make Helsinki a top 5 investment location in Europe
	Target geographies	R&D (wide spread), Regional EHQ, Logistics (hub between Russia and Europe) China, Russia, Europe, North America
Main activities	Offered services	Attracting – Facilitating – Monitoring /After Care – Investor Development
	Marketing approach	Pro-active marketing – General marketing (events/ workshops) – Via intermediates
Results 2011-2013	Number of FDI projects (per sector)*	2011: 59 FDI projects 2012: 91 FDI projects 2013: 86 FDI projects
	Number of jobs created*	2011: 2363 jobs 2012: 2126 FDI projects 2013: 2084 FDI projects
	e.g. greenfield 2011 – 2013	E.g. FDI's in 2011: Rexam (125 jobs, manufacturing), Intel (75 jobs, R&D), Ericsson (50 jobs, R&D), Renesas (40 jobs, EHQ), Seven (40, jobs R&D), Huawei 100 jobs. R&D)
Marketing budget		97 000 € (excluding personnel costs)

Sources: Helsinki Business Hub, 2014

* Helsinki region, source: fDi Intelligence, from the Financial Times Ltd 2014

G WIRMA



Main elements	Sub elements	
Organisation structure	Funding	Owned by the City of Lappeenranta
	Number of employees	23 of which 2,5 fte in FDI Promotion
	Main stakeholders	City of Lappeenranta, Lappeenranta University of Technology, Saimaa University of Applied Sciences
	Office network	HQ: Lappeenranta, Abroad: St Petersburg
Mission	Objectives and goals	To attract companies to the region of Lappeenranta and to improve the business environment
Main targets	Sectors of industry	Renewable energy, Stonework, Logistics, engineering, EU-Russia cross-border business
	Target geographies	Main focus on Russia
Main activities	Offered services ¹	Attracting – Facilitating – Monitoring – After Care
	Marketing approach ¹	Pro-active targeted approach –general marketing (own events/ workshops with focus on Russia) – marketing via intermediates
Results 2011-2013	Number of FDI projects	2011: 11 FDI's 2012: 16 FDI's 2013: 13 FDI's
	Number of jobs created	2011: 26 jobs 2012: 32 jobs 2013: 30 jobs
	E.g. FDI in 2011, 2012, 2013	Eltehnika Finland Ltd, Cytomed Ltd
Marketing budget		100 000€/a including salary costs

Sources: WIRMA, 2014

¹ Which type of services is available, please select

H Copenhagen Capacity

Main elements	Sub elements	
Organisation structure	Funding	Private and Public partners
	Number of employees	15 in the field of FDI promotion
	Main stakeholders	The Capital Region of Denmark, Region Zealand, City of Copenhagen, National Government
	Office network	HQ: Copenhagen
Mission	Objectives and goals	Companies considering locating or expanding their operations in Copenhagen
Main targets	Sectors of industry	Cleantech, Life Science, ICT, logistics and creative industries.
	Target geographies	USA, Europe and Asia
Main activities	Offered services	Attracting – Facilitating http://www.copcap.com/OurBusinessServices
	Marketing approach	Pro-active approach – General marketing (events/ workshops)
Results 2011-2013	Number of FDI projects (per sector)	2011: 32 FDI's 2012: 30 FDI's 2013: 22 FDI's
	Number of jobs created	2011: 824 jobs 2012: 828 jobs 2013: 747 jobs
	e.g. greenfield 2011 – 2013	
Marketing budget		

Sources: Copenhagen Capacity, 2014, CIA Factbook, 2014, UNCTAD, 2014

I Invest Gdansk



Main elements	Sub elements	
Organisation structure	Funding	100% owned by the City of Gdansk
	Number of employees	20 of which 5 in investment promotion
	Main stakeholders	City of Gdansk
	Office network	HQ: Gdansk, Abroad: none
Mission	Objectives and goals	To quickly and safely invest money or technical ideas in the region and Gdansk Metropolitan Area by international and Polish companies.
Main targets	Sectors of industry	BPO/SSC, logistics, manufacturing and IT
	Target geographies	Mainly Europe, and via trade missions in Asia and USA
Main activities	Offered services	Attracting – Facilitating – Monitoring /After Care
	Marketing approach	Pro-active marketing – General marketing (events (e.g. Mipim)/ workshops)
Results 2011-2013	Number of FDI projects (per sector) – number of projects attracted by Invest in Pomerania in Pomerania region (InvestGDA is a partner of Invest in Pomerania initiative)	2011: 5 FDI's in BPO and IT 2012: 11 FDI's in BPO and IT 2013: 5 FDI's in BPO and IT source: Invest in Pomerania 2013: 3 FDI's in manufacturing source: Invest in Pomerania
	Number of jobs created – in FDI's projects attracted by Invest in Pomerania in Pomerania region	2011: 580 jobs in BPO and IT 2012: 1445 jobs in BPO and IT 2013: 680 jobs in BPO and IT source: Invest in Pomerania 2013: 330 jobs in manufacturing source: Invest in Pomerania
	e.g. greenfield 2011 – 2013	Alteams Group and Ramme Tornsberg in 2013
Marketing budget		We don't disclose such information.

Sources: InvestGDA, Invest in Pomerania, 2014, CIA Factbook, 2014, UNCTAD, 2014

Main elements	Sub elements	
Organisation structure	Funding	By the city of Hamburg/Department of Economics
	Number of employees	40 of which 15 in FDI Promotion
	Main stakeholders	Hamburg Marketing GmbH. And Hamburg Marketing GmbH belongs to City of Hamburg
	Office network	HQ: Hamburg Abroad: We have up to the 10 HWF-Representatives And 34 Honorary representatives as „Hamburg Ambassador“
Mission	Objectives and goals	To inspire new companies for expanding, restructuring or investing in Hamburg and creating new jobs.
Main targets	Sectors of industry	future-oriented industries: logistics, aviation, renewable energy, maritime industry and MITT (Media, IT & Telecommunication)
	Target geographies	Hamburg and Hamburg Metropolitan Region (parts of Schleswig-Holstein, Lower Saxony and Mecklenburg West Pomerania)
Main activities	Offered services ¹	Attracting – Facilitating – Monitoring – After Care – All of services are offered
	Marketing approach ¹	Pro-active approach – General marketing (own events/ workshops) – marketing via intermediates, attending conferences, exhibitions, welcoming delegations and giving presentations
Results 2011-2013	Number of FDI projects	Information not available
	Number of jobs created	Information not available
	E.g. FDI in 2011, 2012, 2013	Information not available
Marketing budget		Information not available

Sources: HWF, 2014

Annexe III Literature

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