

Memorandum on the results of the roundtable  
**“Entrepreneurship and cross-border cooperation”**  
(within the 7<sup>th</sup> Youth Economic Forum:  
“New Economy – New Opportunities”)

November 12, 2015

Petrozavodsk

**The roundtable gathered representatives of over 20 organizations from Russia, Finland and Germany.**

Finland was represented by the North Karelia Centre for Economic Development, Transport and the Environment, University of Helsinki, South Karelia Finnish-Russian Chamber of Commerce, Imatra Regional Development Company KEHY, companies Stora Enso, VP Global Oy, Mietinsaaren Holyday Cottages Co, Remal InternationalLtd, REIM Group Oy Ltd, law firm Lindblad&Co, University of Oulu and its Business School, Karelia University of Applied Sciences. Russian participants of the roundtable represented the Ministry of Economic Development of the Republic of Karelia, Ministry of Foreign Affairs Office in Petrozavodsk, Republic of Karelia Chamber of Industry and Commerce, Regional Centre for Coordination of Support to Export-oriented SMEs in the Republic of Karelia, North-Centre NPP, Institute of Economics of the Karelian Research Centre RAS, Petrozavodsk State University, Hub Logistics company, etc. The young audience comprised undergraduate and PhD students, early-career scientists and entrepreneurs from the Institute of Economics KarRC RAS, Petrozavodsk State University, Karelia University of Applied Sciences, University of Helsinki, and University of Bremen.

**The opportunities available today for the development of business of cross-border (international) nature have been outlined, discussed and assessed at the roundtable.**

As highlighted by the participants of the discussion, this topic is of special relevance because of the difficult international economic situation on the one hand, and the availability of quite a number of promising development opportunities on the other. Such are new cross-border cooperation programmes; a wide range of measures to support business development both in EU member states and in Russia; innovative platforms for promoting business; rich history of cross-border contacts between Karelia and Finland, to mention a few.

Roundtable panelists mentioned that entrepreneurs actively utilize the broad spectrum of business support instruments available on both sides of the border, such as state programmes, specific subsidies, information and advisory support from authorities, chambers of trade and commerce, regional development agencies, etc.

An essential role in this process belongs to universities, which in addition to traditional educational curricula offer various innovative business support mechanisms, and often act as good platforms for connecting entrepreneurs and potential investors (e.g. Oulu Business Kitchen, Karelia University of Applied Sciences, student business incubators in Russia, etc.).

On the other hand, experts spoke about major hindrances that Russian and Finnish companies face when implementing their international business projects. Some of these are market entrance barriers and lack of information about companies willing to collaborate with

foreign colleagues, legal complexities and red tape, fiscal and administrative barriers, infrastructural constraints.

All the panelists agreed however that although many, these difficulties are surmountable, given there is initiative, persistence, joint effort and networking of entrepreneurs on both sides of the border. To prove this, there are concrete examples of business interactions presented at the roundtable (cases of VP Global Oy, Hub Logistics; Lindbland&Co practices, etc.).

**Among the outputs of the roundtable are a number of joint initiatives for developing entrepreneurial activity across the border.**

One of the ideas recognized as promising was to set up a business club under the Republic of Karelia Chamber of Industry and Commerce umbrella. The club would be designed as an interactive community of business leaders and companies involved in international business, which would facilitate efficient exchange of information and best practices, establishment of relevant databases and instruments for information & legal support to entrepreneurs.

Another decision was to consider creating a web resource to help develop entrepreneurship and cross-border cooperation based on crowd-sourcing and capacities of the Russian-speaking Karelian expat community in Finland.

Roundtable panelists also expressed the opinion that the facilities of the Karelia University of Applied Sciences, Oulu Business School, Institute of Economics KarRC RAS as international platforms for sharing business ideas and business development experience could be used more actively. An initiative that could bring entrepreneurs together could be the festival of business ideas held annually at these venues.

Roundtable participants also concurred that the new cross-border cooperation programmes of the European Neighbourhood Instrument (namely Karelia Programme) represent an additional resource for the implementation of joint projects on the promotion of cross-border business.

**The Institute of Economics KarRC RAS and North-Centre NPP, who were the key organizers of the roundtable, have agreed to coordinate further communication and interactions between its participants and other stakeholders for promoting the cooperation ideas voiced during the event.**

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