

# ÅLANDS DEVELOPMENT STRATEGY

- The Åland Government has a development strategy which takes into account the financial space available, the challenges of demographic change, climate goals and the objective to strengthen social protection for vulnerable groups.

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- The overall goal of the Åland government is ecological, economic and social sustainable development, regional balance, gender equality and inclusion for all in society.

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- Because of the development, the Åland Government must make political choices and priorities, at the same time as the economic policy will be focused on creating resources through entrepreneurship, employment and economic growth.

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- Some of the fundamental challenges is to maintain the operating conditions of Ålands Penningautomatförening and preserve the maritime sector under Finnish flag.

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- The government guarantees a jointly financed welfare with emphasis on education, health, care and infrastructure.

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The Åland Government has highlighted the following development areas:

- Developed division of labor between the public and the private when it comes to production of welfare services
- Streamlining and making priorities within the public service
- Improved coordination between municipalities, the municipal sector and the Åland government so as to secure basic services

# ÅLANDS DEVELOPMENT STRATEGY

- Balance between financial and quality-oriented health care
- Education which corresponds to the need of the enterprises and of the public
- The industry and trade policy to be more focused on innovation, knowledge and skills than on direct aid
- Strategic investments to reduce operating expenses

# ÅLANDS DEVELOPMENT STRATEGY

- Regional balance with a focus on infrastructure, developed primary production and on smaller businesses
- Environmentally friendly energy
- Environmentally friendly communications

# DEMOGRAPHIC CHANGES

Statistics Finland's population projection from 2007 indicate that the Åland population of the country's population is increasing. The projected population is reflected in the table below.

Åland share of:	2006	2010	2015	2020
Total Population	0,510%	0,518%	0,528%	0,538%
0 - 24 age	0,489%	0,499%	0,498%	0,503%
25 - 64 age	0,517%	0,521%	0,537%	0,547%
65 – age	0,525%	0,543%	0,545%	0,560%

Sources: Statistics Finland PX-Web databases

# ECOLOGICAL RESOURCES - Nature

The Åland archipelago is mosaic-like with many small islands and system of shallow bays. There are many biotopes and great diversity. Eutrophication in the Baltic Sea and in inland waters is the biggest problem in terms of the aquatic environment.

Emissions of nitrogen and phosphorus from agriculture, fishfarming, cartraffic, ferrytraffic, industries and households contribute to these effects with the deterioration of water quality as a result.

# **ECOLOGICAL RESOURCES - Nature**

The overall picture is that the Baltic Sea for a long time has deteriorated and that vigorous efforts of all the surrounding regions now have to be taken in order to achieve lasting improvements.

Maintaining a healthy and great character and a good aquatic environment is also important from several other angles.

# **ECOLOGICAL RESOURCES - Nature**

Tourism and shipping is dependent on the scenic and unspoiled areas.

Agriculture, forestry and fishing are all directly dependent on ecosystems and must be pursued in a sustainable manner to avoid being affected by problems of quality and output reductions in the future.

# ECOLOGICAL RESOURCES - Nature

Outdoor activities, hunting and sportsfishing are major recreational activities in Åland, and they are all dependent on an unspoiled environment.

# ECOLOGICAL RESOURCES - Climate

According to the IPCC (Intergovernmental Panel on Climate Change), the global greenhouse gas emissions will with current developments increase in the coming decades. Such an increase in greenhouse gas emissions will very likely cause changes in the global climate system which will be larger than those observed during the 1900s.

# ECOLOGICAL RESOURCES - Climate

Estimates of the global warming during the next century gives a temperature increase of between 1.8 and 4 ° C by 2100 compared to the period 1989-1999. Global warming and rising sea levels may continue for centuries, even if concentrations of greenhouse gases in the atmosphere should be stabilized.

# ECOLOGICAL RESOURCES - Climate

The Åland government supports the EU Commission's proposals concerning the reduction of greenhouse gas emissions in the atmosphere. The Finnish burden sharing is 16% reduction in carbon emissions by 2020 compared with 1990 levels.



# **SOCIAL ASPECTS**

## **Employment**

Åland has had low unemployment and high employment for many years. Unemployment has for years been around 2% which in international comparison is very low. Countries with low unemployment is for example Denmark with 3.2% and Sweden with 5.2%. In Finland, the unemployment rate was 6.0% in December 2007.

# **SOCIAL ASPECTS**

## **Employment**

The need for workers is high in many areas and migration partially solves the problems in the labor market. It is important that immigrants integrate properly so that they quickly become involved in the community.

A high employment rate is closely linked to entrepreneurship and business.

# SOCIAL ASPECTS

## Employment

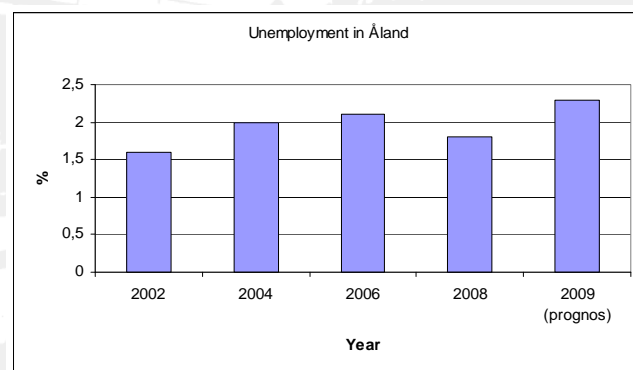
Today there are approximately 2100 companies, compared with about 13 000 individuals of working age.

The global recession and the demographic change will put more demand on entrepreneurship and innovation in both business and public sector in the coming years to maintain a low unemployment and strong security systems.

# SOCIAL ASPECTS

## Employment

At present, the open unemployment is estimated to increase to 2.3 percent next year.



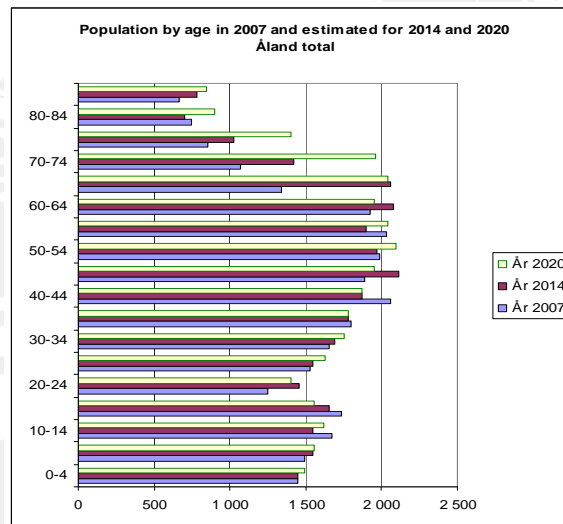
# SOCIAL ASPECTS

## Demographic Trends and residence

Based on Statistics Finland's population projections from 2007, the Åland population will increase by 10% from 27 153 to 29 841 persons between 2007 and 2020. The elderly will increase much more. The agegroup of people over 75 years increases by 38% and those over 85 years with 27%.

# SOCIAL ASPECTS

## Demographic Trends and residence



# **SOCIAL ASPECTS**

## **Demographic Trends and residence**

**In the case of residence the development is that people leave the archipelago at the same time as the population in other rural areas and Mariehamn increases. This is not consistent with the overall objective that the archipelago must maintain its attractiveness as a place of residence and place of business, despite structural changes.**

# **Environmentally friendly energy**

**Åland main goals:**

- ◆ Be as free from fossil fuels as possible in all sectors 2025**
- ◆ Be as selfsupported by renewable energysources as possible 2025**
- ◆ All electric production from renewables in 2025**
- ◆ No more households heated by oilbased burners 2025**

## Environmentally friendly energy

Åland supports EU's goals regarding reducing climate changing gas :

- ◆ At least 16% reduction of CO<sub>2</sub> emissions 2020 compared to 1990 level
- ◆ At least 20% reduction of energy consumption compared to the basic scenario 2020
- ◆ At least 38% (Same as the Finnish burden) of energy production from renewables 2020

## Environmentally friendly energy

Åland is one of the members in the B7 Transplan energyproject

- ◆ Establish an energyplan on all islands to reach the goals
- ◆ Actions to increase use of local renewables
- ◆ Actions in energysavings

# Environmentally friendly energy

## B7 Transplan energyproject

Actions to increase use of local renewables at Åland:

Two big semioffshore windfarms are planned (18MW+38MW)

- ◆ 50% of the yearly electricity consumption from renewables if farmplans are realised. Today appr. 21%
- ◆ Several biofuelled district heating system established in municipalities
- ◆ Biogasplant is under construction at the local dairy

# Environmentally friendly energy

## B7 Transplan energyproject

Actions in energysavings at Åland:

- ◆ Voluntary energy agreement established in municipalities
- ◆ Financial support when households converting heating system from direct el and oil. Promote use of solar system for waterheating
- ◆ Informing campaigns regarding energy efficiency

# Environmentally friendly energy

Åland have great possibilities to increase use of renewables and reduce use of energy

- ◆ Renewables such as wind and biomass will contribute to a great deal of the inland consumption
- ◆ New technology and changed behaviours will reduce energy consumption significantly
- ◆ Biggest challenge are ships and ferries which are large consumers of low quality fossil fuels