



Regional Council of
NORTH KARELIA

***Summary:
North Karelia Regional
Programme 2026–2029***

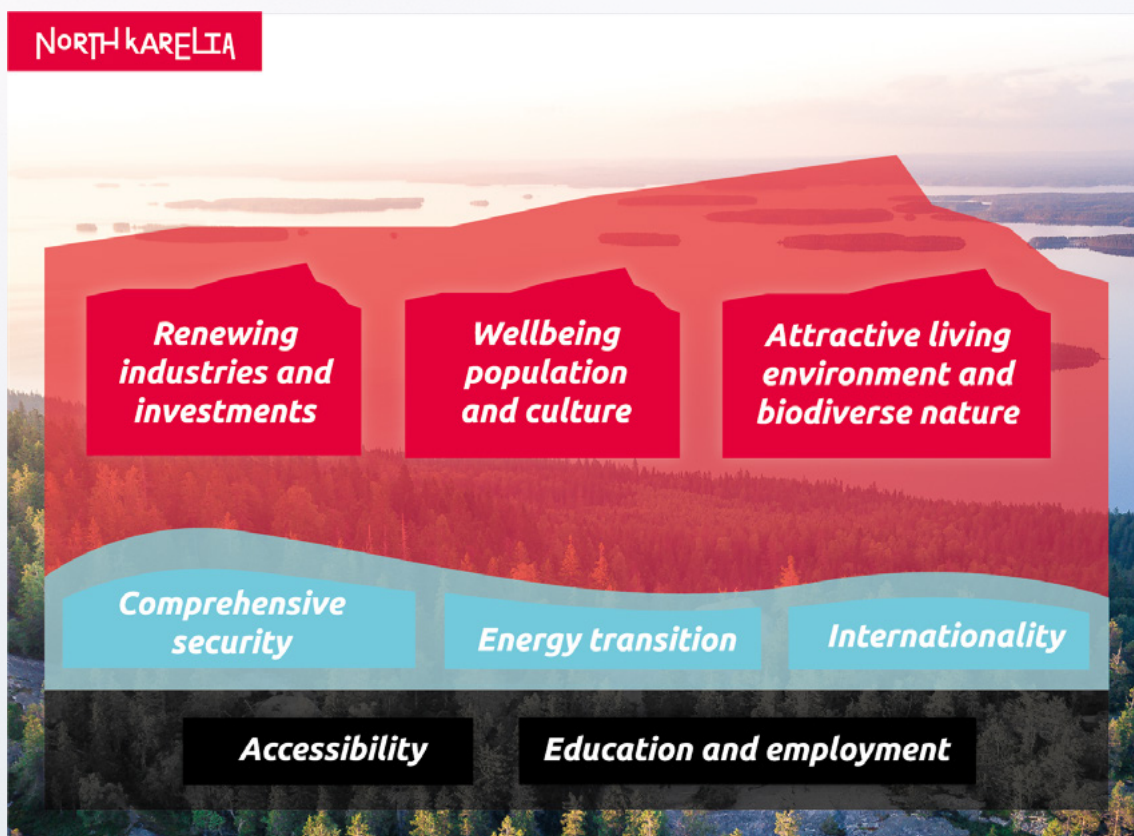
Introduction

The North Karelia Regional Programme brings together the region's key development objectives, priorities, and measures for the period 2026–2029. The programme is based on the North Karelia Strategy 2045, which aims to strengthen the region's vitality, capacity for renewal, and long-term competitiveness. It serves as a common framework for regional development, guiding municipalities, public authorities, educational and research institutions, businesses, and non-governmental organisations.

North Karelia is facing several major transitions simultaneously. The population is ageing, the birth rate has reached a historic low, and the availability of a working-age population poses challenges for both busi-

ness growth and the provision of public services. At the same time, the region has significant strengths, including a diverse industrial base, strong expertise in the forest sector, internationally recognised research and education, a clean natural environment, and growing opportunities arising from the energy transition and green transition investments. The central idea of the programme is to address these challenges through renewal and to build sustainable growth by drawing on the region's own strengths.

The long-term regional development plan, North Karelia Strategy 2045, is available at: [North Karelia Strategy 2045](#)



Picture 1: Themes of the North Karelia Regional Programme 2026–2029



Current State and Development Outlook for North Karelia

North Karelia's development is characterised by a combination of demographic changes, economic restructuring, and significant growth opportunities. At the end of 2024, the region had a population of 162,091. The usual trend of population decline has slowed recently, due largely to record-high immigration. At the same time, the birth rate has fallen to a historic low, and the population is ageing rapidly, increasing labour shortages and demand for services, particularly in health and social care sectors. Future population development will depend heavily on continued immigration and successful integration.

In recent years, the regional economy has been experiencing the after-effects of the COVID-19 pandemic, Russia's war of aggression against Ukraine, and the changing geopolitical position of eastern Finland. These developments have weakened exports, investments, and employment opportunities. While unemployment in the region remains above the national average, many sectors are simultaneously facing skills shortages due to workforce retirements. At the same time, the region has several major investment projects underway in areas such as the hydrogen economy, bioenergy, data centres, the forest industry, and defence technologies, creating promising prospects for future growth.

From a well-being perspective, North Karelia continues to face challenges related to high levels of morbidity, work disability, mental health issues, and declining well-being overall among children and young people. With an ageing population as well, there will be further increases in demand for public services. However, the region benefits from a strong network of non-governmental organisations and local communities that promote social inclusion, community cohesion, and cultural well-being.

North Karelia's key strengths include its clean natural environment, abundant forest and water resources, the strong education and research ecosystem in its largest city of Joensuu, and its active work in climate action and the circular economy. The region has made significant progress in reducing greenhouse gas emissions along with increasing the use of renewable energy. Key challenges for the future include improving transport infrastructure and accessibility, safeguarding biodiversity, and maintaining the vitality of the entire region as population growth becomes increasingly concentrated in the Joensuu area.

The Current Situation and Development Outlook of North Karelia report is published annually. The latest edition is available at pohjois-karjala.fi/julkaisut



Thematic Priorities of the North Karelia Regional Programme

Renewing Business and Industry and Investment

The primary objective of the programme is to strengthen North Karelia's vitality and competitiveness. A dynamic business sector creates jobs, enhances well-being, and reinforces the economic foundation of municipalities and the region. For this reason, the programme emphasises supporting business growth, attracting investments, and increasing exports. The aim is to create an operating environment in which businesses can grow, expand internationally, and continuously develop.

Recent years have been marked by the after-effects of the COVID-19 pandemic, Russia's war of aggression against Ukraine, and the changing geopolitical situation. As a border region in eastern Finland, North Karelia has experienced these changes particularly acutely. The end of trade with Russia, the closure of border traffic, and changes in logistics connections have significantly impacted the region's tourism, industry, and logistics sectors. At the same time, businesses have had to adapt to rising costs, fluctuating interest rates, and an uncertain operating environment. Despite these challenges, confidence in the future has remained strong, and several major investment projects have either been launched or are currently under preparation.

The Smart Specialisation Strategy is the foundation of regional development in North Karelia. It identifies the sectors in which the region has national or international competitive advantages and to which research, development, and innovation (RDI) efforts are particularly directed. The region's global areas of excellence are forest and bio-circular economy, photonics, and the mineral economy. Additional strengths include clean energy solutions, renewing technology industries, the sustainable use of natural resources, and innovative service development.

The forest bioeconomy remains one of North Karelia's most important industries. The region benefits from abundant forest resources, high-quality research, and advanced industrial expertise. Looking ahead, the objective is not merely to increase the volume of wood

utilisation, but above all to increase value added. The aim is to develop new products, services and business models from forest-based raw materials which create greater value for both the region and international markets.

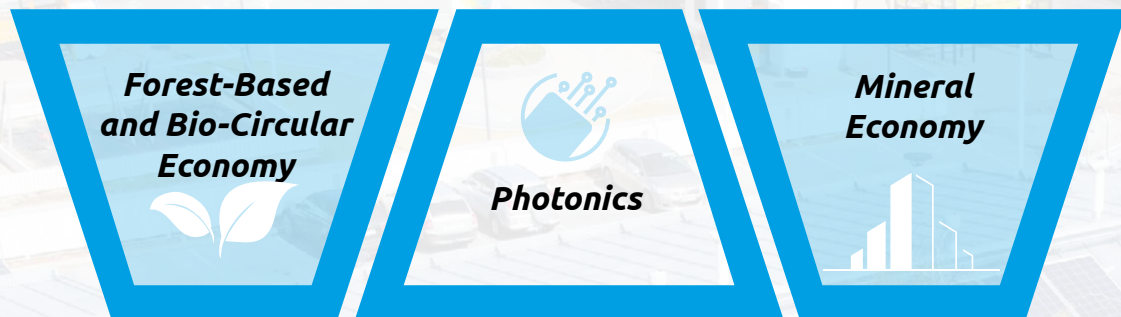
Photonics is an internationally recognised area of excellence in the Joensuu area. Its applications extend to health technology, the defence industry, environmental monitoring, telecommunications, and industrial measurement systems. The importance of photonics continues to grow as digitalisation and technological transformation accelerate.

North Karelia also holds a unique position in the mineral economy, both nationally and within Europe. The region's mineral resources, the GTK Mintec research environment, and extensive expertise in the minerals sector provide a strong foundation for developing a responsible mineral economy and circular economy-based business. As the importance of critical raw materials continues to increase across Europe, the strategic significance of this sector is growing accordingly.

The programme also recognises the substantial opportunities created by the energy transition. North Karelia has considerable potential to benefit from increased renewable energy production, the development of hydrogen economy, and investments supporting the clean transition. Examples include renewable hydrogen production projects, investments in bioenergy, and growing interest in solar and wind power. The energy transition is viewed both as an important climate action as well as a major opportunity for economic development and investment.

Strengthening research, development, and innovation (RDI) is also essential for the region's future development. The University of Eastern Finland, Karelia University of Applied Sciences, Natural Resources Institute Finland (Luke), Geological Survey of Finland (GTK), and other research organisations together form a significant concentration of expertise. The objective is to improve knowledge transfer from research organisations to businesses, increase private-sector RDI investments, and create new innovations which support business growth and internationalisation.

Global Excellence



National Excellence



Picture 2: Smart Specialisation Strategy of North Karelia

Well-being and Culture

The long-term vitality of North Karelia ultimately depends on its people. The region's demographic trends reflect challenges faced across Finland, but these challenges are more pronounced in North Karelia. The birth rate has declined sharply, the population is ageing rapidly, and the number of people reaching retirement age is expected to increase significantly in the coming years. At the same time, immigration has become an increasingly important factor in ensuring the availability of a skilled workforce.

The programme aims to secure access to a skilled workforce while strengthening the region's attractiveness and its ability to retain residents and talent. This includes developing education and training, improving employment opportunities for students, increasing labour migration, and promoting lifelong learning. Along with this, efforts will focus on preventing exclusion from working life and raising the employment rate.

Preventive action is a central focus of the region's well-being policy. North Karelia continues to have one of the highest morbidity rates in Finland, with particular concern over mental health challenges, lifestyle-related diseases, and the declining well-being of children and young people. The programme seeks to strengthen health-promoting practices, increase social inclusion, and reduce loneliness. It also aims to enhance people's sense of security and strengthen community cohesion throughout the region.

Culture is recognised as playing an important role in both well-being and the attractiveness of the region. It strengthens community cohesion, increases participation, and supports psychological resilience. In addition, cultural activities and events enhance the region's attractiveness as a tourism destination while creating new opportunities for the growth of the creative economy.

Attractive Living Environment and Biodiverse Nature

North Karelia's key assets include its clean natural environment, extensive forests, lakes and waterways, and nationally renowned landscapes such as Koli National Park. These provide an important foundation for both residents' quality of life and the development of tourism. The programme aims to balance the sustainable use of natural resources with biodiversity conservation while strengthening the region's vitality.

The region will continue its ambitious climate action. North Karelia is a Hinku region, committed to ambitious reductions in greenhouse gas emissions, with the goal of achieving significant emissions reductions by 2030. Emissions reductions will be achieved through measures in transport, energy production, building energy efficiency, and agriculture, while simultaneously strengthening climate change adaptation.

Safeguarding biodiversity is a central objective of the programme. This includes expanding and developing protected areas, restoring habitats, and promoting the sustainable use of natural resources. Biodiversity is recognised not only as an environmental asset but also as a key driver of the region's long-term resilience and competitiveness.

Comprehensive Security, Accessibility, and Internationalisation

The changing geopolitical landscape has had a profound impact on the development of North Karelia. Comprehensive security is a cross-cutting theme throughout the programme, encompassing security of supply, cybersecurity, energy self-sufficiency, and societal resilience. The objective is to strengthen the region's ability to operate under changing circumstances while capitalising on new opportunities arising from Finland's NATO membership and investments in the security and defence sectors.

Accessibility is essential for the region's future development. The programme emphasises developing the Karelian Railway, improving the road network, safeguarding operations at Joensuu Airport, and developing digital connectivity. Particular importance is attached to achieving a three-hour rail connection between Helsinki and Joensuu, as well as improving transport links to western and northern Finland.

Internationalisation is regarded as an essential element of the region's future. The programme aims to strengthen exports, attract international talent, expand research and educational cooperation, and build new international networks. Rather than being a separate priority, internationalisation is integrated into all aspects of regional development.



Summary

The North Karelia Regional Programme is founded on the principle of renewal. The region's future depends on a strong business sector, a highly skilled population, overall well-being, the sustainable use of natural resources, and the ability to adapt to the changing operating environment. The programme's objective is to make North Karelia a competitive, secure, prosperous, and attractive region that builds on its strengths while achieving sustainable long-term growth.

North Karelia Regional Development Priorities, 2026–2029

1. Renewing business and investments

Forest bioeconomy:

- Strengthen North Karelia's position as a smart, internationally recognised forest region by enhancing the visibility and expertise of the forest sector
- Promote resource-efficient timber harvesting and maximise the value added of forest-based products and services
- Further strengthen high-quality and diverse education and research in the natural resources sector
- Develop and commercialise globally applicable solutions for climate-smart forest management and regeneration to also be applied locally

Minerals and mining industry:

- Strengthen the role of GTK Mintec in advancing clean solutions for the mining industry and the circular economy of the minerals sector
- Support responsible industrial investments in mining operations and the development of new mines
- Increase value added and material circularity within mineral value chains
- Develop new, flexible educational pathways for the mining sector and harness digitalisation
- Systematically strengthen collaboration among stakeholders across the mining sector and improve the industry's public image
- Strengthen participation in national and international networks

Technology industry:

- Promote industry growth and job creation through business investments
- Capitalize on growing market opportunities in the defense sector and dual-use technologies
- Strengthen companies' export readiness and access to international markets
- Create new educational pathways and develop sector-specific skills
- Utilize the data economy and AI to enhance business competitiveness and create new business opportunities
- Strengthen collaboration between companies and RDI (Research, Development and Innovation) organizations to drive sectoral growth, increase value added, and promote higher-value production

Agriculture and food sector:

- Renew the agriculture and food cluster and improve profitability through focusing on exports
- Strengthen the production base of primary agriculture, horticulture, and natural products across the farm-to-table value chain
- Promote farm ownership transfers, generational succession, and new investments
- Strengthen self-sufficiency and security of supply in agriculture and the food sector
- Improve the attractiveness and appeal of rural entrepreneurship

Tourism:

- Accelerate tourism investments, particularly those that serve to increase accommodation capacity and activity-based services
- Develop attractive routes into market-ready tourism products
- Develop distinctive tourism products and travel packages
- Gain a competitive advantage through attractive tourism hubs, distinctive events and conferences, culture, nature-based tourism, and sustainable experiences
- Strengthen joint national and international tourism marketing and improve accessibility

Creative economy:

- Develop the region as an attractive and competitive hub for events and audiovisual (AV) production
- Promote growth through cross-sectoral cooperation between the creative industries and other business sectors
- Support the growth and internationalisation of creative businesses and strengthen their business capabilities
- Develop the gaming industry and harness new technologies and digitalisation in the creative industries
- Strengthen expertise in the creative industries by developing education, promoting lifelong learning, and enhancing cooperation between educational institutions and businesses

2. Thriving population and culture

Health and well-being:

- Promote residents' health and well-being by supporting multidisciplinary and cross-sectoral cooperation
- Strengthen the well-being and functional capacity of the people of North Karelia
- Increase residents' participation and sense of community by developing new operating models for a changing environment
- Promote a safe everyday life and living environment for residents
- Promote positive relations between population groups

Culture:

- Support culture and the arts as key drivers of the region's attractiveness and vitality
- Strengthen the vitality and operating conditions of the arts and cultural sector
- Ensure equal opportunities to participate in cultural activities and creative expression
- Integrate global-mindedness, multiculturalism, and internationalisation into the development of the cultural sector
- Strengthen the importance and role of culture as part of overall sustainability

3. Attractive living environment and diverse nature

Climate-smart North Karelia:

- Develop clean and fully sustainable energy production
- Develop effective measures to adapt to the impacts of climate change
- Create new business opportunities in renewable energy, carbon capture, hydrogen technologies, and the circular economy which support climate and biodiversity goals
- Ensure that the regional electricity grid meets the current and future needs of renewable energy production and consumption
- Strengthen the resilience of the energy system by further developing decentralised energy production and energy communities

Active development of biodiversity:

- Develop and implement effective measures for the management of water bodies and catchment areas
- Actively manage the environment through ecosystem management and ecosystem restoration
- Strengthen residents' awareness of nature, and improve green infrastructure by restoring and enhancing recreational trails

4. Cross-cutting themes

Comprehensive security and resilience in North Karelia:

- Strengthen societal and individual crisis resilience by enhancing preparedness, supporting the role of civil society organisations and local communities, and promoting trust in public authorities and decision-makers
- Promote opportunities for businesses to contribute to national defense and the development of dual-use capabilities
- Prevent digital exclusion and strengthen citizens' media and digital literacy
- Strengthen the continuity of critical services and improve preparedness for disruptions through cross-sectoral cooperation
- Improve the quality of housing, public services, remote work opportunities, and increase social inclusion to enhance regional attractiveness and retain residents and skilled workers
- Invest in transport connectivity, energy networks, and digital solutions, making use of international funding instruments

Energy transition:

- To implement the energy transition in a socially just, environmentally sustainable, and holistic manner
- To make North Karelia a leading energy- and resource-efficient region, where the share of renewable energy and energy self-sufficiency reaches at least 80% by 2030
- Further increase renewable energy production and promote the export of high value-added energy products
- Invest in transport connectivity, energy networks, and digital solutions, and leverage utilization of EU funding instruments to support the green transition and strengthen regional competitiveness

International North Karelia:

- Promote exports and investments by strengthening the region's attractiveness and defining targeted export promotion measures
- Support the employment of international talent, create clear service pathways, and strengthen social inclusion and community cohesion
- Develop clear roles and responsibilities to support internationalisation and enhance cooperation between different actors
- Participate proactively in international networks to strengthen RDI activities, accelerate the uptake of innovations, and enhance crisis resilience

5. Strong foundations

Accessibility:

- Ensure that, by 2030, North Karelia is connected to the 400 kV national transmission grid and benefits from a reinforced distribution network
- Ensure a three-hour connection to the Helsinki metropolitan area by safeguarding air services to Joensuu
- Improve the capacity and reliability of the Karelian railway and implement measures aimed at increasing the speed of travel
- Initiate the electrification of non-electrified railway sections, starting with the Joensuu–Varkaus–Pieksämäki and Joensuu–Uimaharju lines, and continuing northwards towards Kontiomäki
- Improve the regionally critical Corridor 6 (Kuutoskäytävä) and Corridor 9 (Ysikäytävä) transport links*
- Ensure high-speed broadband connectivity (>100 Mbit/s) across the entire region by promoting digital accessibility and strengthening digital skills

* Corridor 6 (Kuutoskäytävä) is a multimodal transport corridor (road, rail, waterway, and air transport) running from Kajaani via Joensuu towards southern Finland. Corridor 9 (Ysikäytävä) is a nationally significant transversal transport corridor combining road and rail transport.

Education:

- Ensure the availability and accessibility of education by maintaining a comprehensive school and education institution network
- Strengthen the skills and competencies of children and young people while narrowing learning gaps
- Respond to changing skills needs by strengthening cooperation between education and the labour market
- Support the attractiveness of education to secure a sufficient student intake for regional education institutions
- Support the education and integration of immigrants

Employment

- Support the consolidation of the employment ecosystem and strengthen cooperation between actors
- Enable the development of customer-oriented and impactful employment pathways
- Promote labour market-oriented skills development and improve the matching of jobs and jobseekers
- Support the employment of people facing barriers to entering the labour market through targeted measures and tailored services

Environmental Report and Impact Assessment

The Environmental Report and Impact Assessment for the North Karelia Regional Programme was prepared as part of the programme's development in accordance with the Act on the Assessment of the Effects of Certain Plans and Programmes on the Environment (the SOVA Act). The assessment examined the programme's economic, ecological, social, cultural impacts, and impacts on equality.

The Environmental Report brings together key findings from studies, strategies, development programmes, and assessment tools describing the state of the environment in North Karelia. In total, the review covered 32 themes related to environmental

conditions and sustainable development. Their main findings are presented in a concise format, together with links to further information. The purpose of the review is to identify the key drivers of environmental change in the region and to ensure that the implementation of the North Karelia Regional Programme takes into account biodiversity, climate resilience, the sustainable use of natural resources, and the need to improve environmental quality.

Overall, the programme's impacts were assessed as predominantly positive. The monitoring of these impacts will continue throughout the programme period.





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