

COMPARATIVE ANALYSIS OF NATIONAL AND COUNTY LEVEL DEVELOPMENT STRATEGIES

The analysis aims to determine and compare how different national development documents and county development strategies treat:

- the concentration of Estonia’s economic development,
- the scope of development regions, incl. cross-border opportunities that support development,
- alternatives to regional specialisation,
- institutional framework of regional development,
- guiding values of development.

National level strategic development documents with a regional aspect (Regional Development Strategy – RDS, Estonia 2030) frown on the concentration of economic activities and human resources, instead setting their sights on the regional balance of economy from the “realist point of view”. Instead of regional equality, the objective is to compensate for the regional disadvantages and avoid stacking the negative consequences of regional inequalities. The Estonian Entrepreneurship Growth Strategy 2014–2020, on the other hand, sees no problem in economic concentration and gears towards large companies with strong growth potential.

The key difference in defining the territorial scope of development regions appears in national development documents. The RDS and Estonia 2030 with their regional focus operate with local activity spaces, while the Entrepreneurship Growth Strategy treats the whole Estonia as one development region with the centre in Tallinn.

The international and cross-border options of regional development are described fairly superficially in the strategies. For Tallinn, the declared main cross-border partners are Helsinki and Saint Petersburg; for Tartu, the goal is to engage with Pskov and Riga. Ida-Viru County is seeking options for development within the Tallinn–Saint Petersburg–

Helsinki (Kotka) triangle. For many smaller counties, international cooperation is not a prime option for development – at least the county strategies make no mention of this.

Both national development documents that guide Estonia’s territorial development (RDS and Estonia 2030) view multilevel governance model as the foundation for the institutional framework. The goal set in the Entrepreneurship Growth Strategy is cooperation across political fields, and involvement of non-governmental partners; regional entrepreneurship development activities hand the key role to county development centres.

A separate study was conducted on the values behind the different development documents. **Estonia’s national, regional, and county development documents are dominated by modern values – economic growth, competitiveness, increased productivity, etc.** While the Entrepreneurship Growth Strategy is modernist throughout, the regional development documents sometimes also include softer “post-modern” values, such as sustainability, efficiency, community, participation, etc. as principles that guide the development. However, the environmental goals in development documents have also mainly been presented through the prism of economic growth and better competitiveness.

National strategies

	Regional development strategy	Planning document <i>Estonia 2030</i>	Growth strategy <i>Estonia 2020</i>	Energy economy development plan	County development centres strategy
Scope of development region	Local activity space	15 local activity spaces	Estonia; non-defined regions	Estonia; also counties as the measurement grid	15 counties
Regional specialisation	In urban areas, as a principle; in regions and counties, as a proposal at the level of economic sectors	In urban areas, as a principle	Businesses in growth sectors		
Concentration of economic development	Balance, incl. as a measurable indicator (% of Harju County GDP)	Balance	Focus on large, key, and growth clients (businesses)	Distributed generation as a general principle but not as a measurable goal	Increased salaries outside Tallinn through business competitiveness
Cross-border and international opportunities	Cross-border labour force areas and general cross-border cooperation	General opportunities: Talsinki; Ida-Viru County -Saint Petersburg region; Tartu-Pskov-Riga; Valga-Valka	Cross-border and all-European cooperation of businesses and research institutions	Transition from BRELL to Central European power grids	
Regional institutional framework	Multi-level governance, integrity of levels	Multi-level governance, partnership in county planning papers, interregional cooperation	State-level developers – Ministry of Economic Affairs and Communications, technology development centres and clusters; in counties – county development centres		Government funding, county development centres cooperate with interest groups, local governments, unions of local governments, participation of businesses
Guiding values of development	Development and growth; ecological values as a resource in the framework of regional specialisation	Competitiveness combined with diversity of lifestyles (incl. eco-lifestyle)	Growth and competitiveness	Growth of competitiveness; ecological values through environmental requirements based on EU climate and energy policy	Growth and competitiveness

County development strategies

	Harju County	Tartu County	Ida-Viru County	Pärnu County
Scope of development region	Harju County	Tartu County; South Estonia as a tourism marketing region	Ida-Viru County	Pärnu County
Regional specialisation	Knowledge intensive economy, incl. smart production and high added value services	Home of smart businesses; horizontal and vertical specialisation in general	Division within the county: industrial and business regions and recreational regions; circular economy based on mining sector	Region specific fields of competence which form the basis for entrepreneurship with higher added value: adding value to natural resources, resorts and medical rehabilitation biotechnology, silver economy
Concentration of economic development	Estonia's development engine	The most attractive county in South Estonia	Development opportunities based on the growth of metropolitan areas in the Gulf of Finland region	County and regional centre Pärnu is Estonia's summer capital
Cross-border and international opportunities	North European attraction centre and Tallinn-Helsinki as twin cities; fast, sustainable and comfortable links to other countries	Finnish, Russian, Latvian, Lithuanian and German tourism markets; rail link to Riga	Part of the Gulf of Finland development region, which includes Tallinn, Helsinki and Saint Petersburg metropolitan areas and the industrial, logistical and recreational areas between these (incl. Ida-Viru County)	Environmentally conscious and family friendly region in the Baltic Sea area; Via Baltica, Rail Baltic, air links to Nordic countries
Regional institutional framework	Harju County Development Committee, which involves unions of local governments and other organisations	South Estonia Development Agency with its nearly 100 employees works on transport, industry and tourism development as well as marketing the region and its businesses	Ida Viru County Union of Local Governments	Regional innovation system
Lead values of development	Knowledge-intensive economy, high added value; living environment is safe and green; content, innovation oriented and active people and community that values its home and culture; life is good in Harju County!	Tartu County strategy sets the focus on human beings. Population numbers and changes are the key indication of development. Centre of culture and education in Estonia; South Estonia's largest department store green university town and European capital of culture	Economic development, large added value	Success in the Baltic Sea space; care for one another, openness, participation, consistency, cooperation, green mindset

County development strategies

	Võru County	Valga County	Jõgeva County	Järva County
Scope of development region	Võru County – Võro and Seto communities	Valga County; SE Estonia cooperation region	Jõgeva County; part of Tartu regional activity space	Järva County
Regional specialisation	Smartly adding value to local resources: wood, food, recreational economy	Region-specific competence and growth areas – social welfare that supports dignified ageing, energy efficient logistics and tourism marketing that uses the regional resource and cooperation potential	Agriculture, food and wood sectors	Traditional entrepreneurship, new economy and smart jobs;
Concentration of economic development	Well-being in the context of a downsizing county		Goal of reducing differences with the regional centre, i.e. Tartu County	Residential and meeting area of pro-active citizens where new cooperation formats are tested and created, trailblazer in Estonia
Cross-border and international opportunities	Connections to neighbouring countries	Valga-Valka cross-border cooperation in services (health care, education, security); fast rail links to Riga and Saint Petersburg	Return of shipping to Lake Peipus	
Regional institutional framework	National regional programmes; cooperation of entrepreneurship support structures (Võru County Development Centre, Unemployment Insurance Fund, TSEENTER); network of business sectors	South Estonia’s joint investor services	Strengthening the county development organisation	Regional innovation system; sectoral advisory councils and strategic steering group
Lead values of development	Happiness and coping of the residents; clean nature and living environment, unique Võro and Seto cultures	Entrepreneurial spirit, innovation, care for others, combination of diverse cultures; ecology through technologies and awareness	Well-being, value of living environment, accepting downsizing	Flexibility and human-centeredness of work; participation, community spirit, well planned cooperation, sustainable and ecologically sound lifestyle