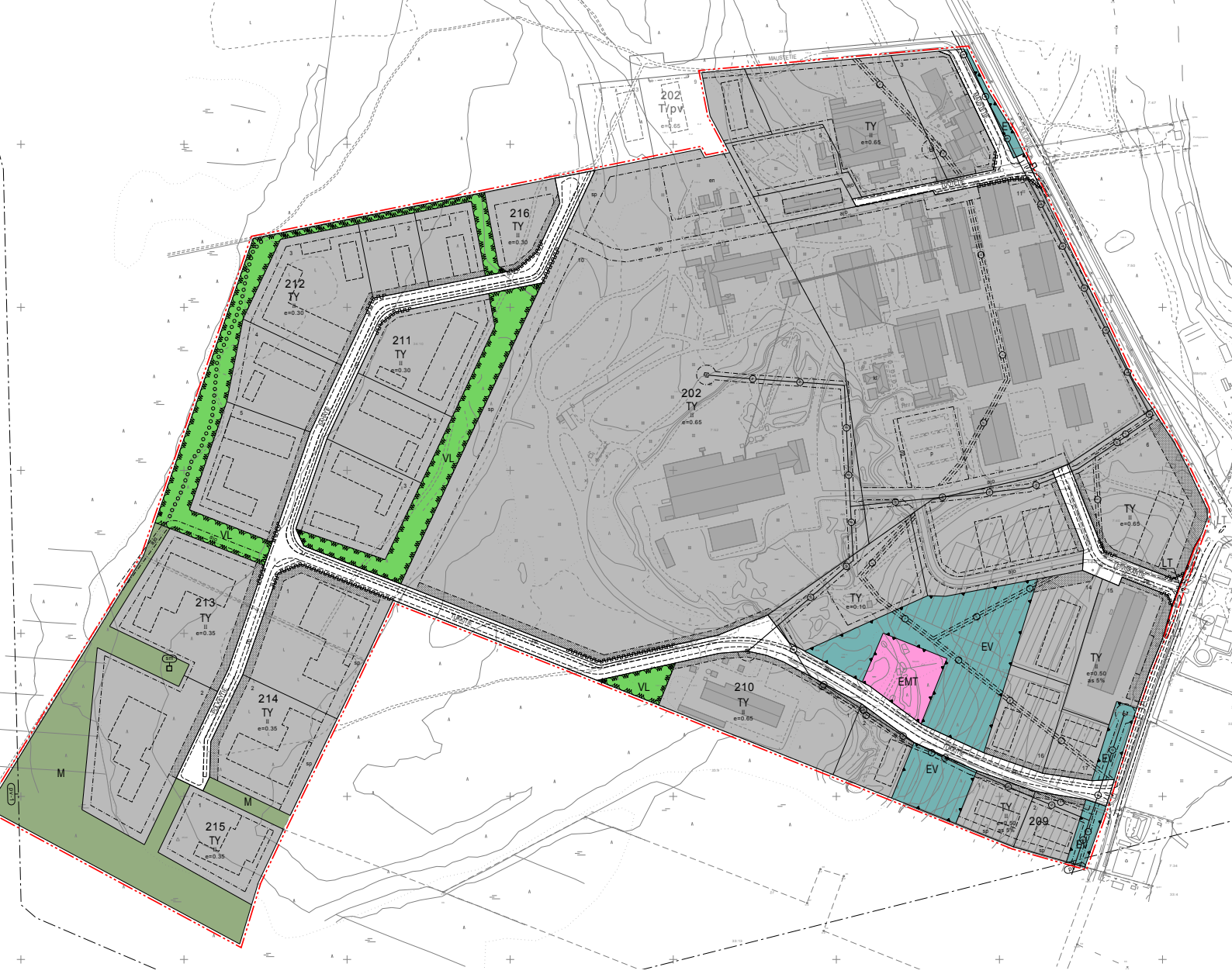




Extension of the Leiviskäkangas industrial area

15 new construction-ready industrial lots were built in the Leiviskäkangas area in the municipality of Pyhäntä in this industrialisation project. The road network, sewer, water supply and storm drain systems were built in the area according to the land use plan. A drainage system was also built alongside the new roads, which secures the regeneration and purity of the groundwater in the area. The new industrial area provides a permanent benefit for local industry and welfare for the inhabitants of Pyhäntä and its surrounding areas.



Leverage for the local economy through industrialisation

The availability of industrial lots in Pyhäntä was very limited before the project. Existing lots were not available for new business and the existing industrial area was built to capacity. The project aimed to respond to rising demand among growing businesses.

Extension of the Leiviskäkangas industrial area

Project code: A70205

Municipality of Pyhäntä

1.3.2015–30.9.2017

Budget: 707 980 €

ERDF funding from the Council of Oulu Region: 283 192 €

Pyhäntä has a strong concentration of industry, which is growing quickly in relation to the size and population of the municipality. The need for increased space for new business was recognised, which led to the zoning of a new industrial area next to the existing one in Leiviskäkangas. The area was built as part of this industrialisation project, which sought to respond to already existing demand and anticipate future needs.

In the long run, the building and equipping of a new area enables the creation of new jobs for the workforce of the region. The goal of the project was to create 10 new businesses and over a hundred new jobs in the area. In addition to bringing new business, the new industrial area would also enable the expansion of existing businesses.

One year of construction work secures lot availability

The road network and the sewer, water supply and storm drain systems were built according to the land use plan. Three completely new roads were built: Tukkitie, Pölkkytie and Sahatie. Tukkitie was also extended and Tukkitie and Leiviskätie were widened. The size of the area is 22 hectares and it consists of 15 industrial lots. The built flexible traffic communication system improved the accessibility of businesses in the area.

The new area is situated in a significant groundwater catchment area, which imposed a requirement of especially high standards for the building of municipal infrastructure. A drainage system was built alongside the new roads, which directs the flow of water away from the groundwater area through oil separation wells. These measures secure the regeneration and purity of the groundwater and ensures the provision of high-quality groundwater for the local food industry.



Demand and supply in balance

“The new area was finished in the nick of time. The municipality had no available industrial lots. Now we have a good stock of available lots and we can respond to the needs of businesses,” says Project Manager and Technical Manager of the municipality Timo Aitto-Oja.

The construction work was completed in 2017. By Autumn 2019 three new businesses had situated themselves in the area and almost 40 new jobs were created. Half of the new lots have been sold. New business investments add up to around 7 million euros.

East and North Finland face specific challenges posed by long distances and sparse population. Due to these specific challenges, the European Regional Development Fund offers special funding in East and North Finland for the improvement of traffic and logistic systems that are important to small and medium-sized enterprises. Building industrial lots in Leiviskäkangas offers a good example of how EU support can increase the viability of regions challenged by long distances and small traffic streams.

Objectives

- Building a road network and the municipal infrastructure for the new industrial area and achieving construction readiness for new industrial buildings.
- Building a drainage system along the new roads to protect the groundwater in the area.
- Create new businesses and jobs in the area.

Results

- 15 industrial lots were built in a 22-hectare-large area with roads, sewer, water supply and storm drain systems according to the land use plan.
- A drainage system was built, which directs the flow of water outside the groundwater catchment area through oil separation wells.
- During the first two years, three new businesses, almost 40 new jobs and around 7 million euros of new business investments have been realised.

Oulu Regional Council allocates funding for regional development from the ERDF

Oulu Regional Council is a Managing Authority for the Sustainable growth and jobs 2014–2020 – Finland’s Structural Funds Programme in Northern Ostrobothnia.

European Regional Development Fund’s (ERDF) main objectives are to improve the competitiveness of SMEs and produce and use the latest information and knowledge.

‘Sustainable growth and jobs 2014–2020 – Finland’s structural funds programme’ has two priority axes and seven specific objectives for ERDF. Each project must deliver at least one of these specific objectives.

ERDF priority axes and specific objectives:

1. Competitiveness of SMEs
 - Generating new business
 - Improving transport and logistic connections that are important to SMEs (Eastern and Northern Finland)
 - Promoting growth and internationalisation of enterprises
 - Promoting energy efficiency in SMEs
2. Producing and using the latest information and knowledge
 - Development of the centres of research, expertise and innovation on the basis of regional strengths
 - Strengthening innovation in enterprises
 - Developing solutions based on renewable energy and energy-efficient solutions

More information on Structural Funds in Finland from the dedicated website www.rakennerahastot.fi