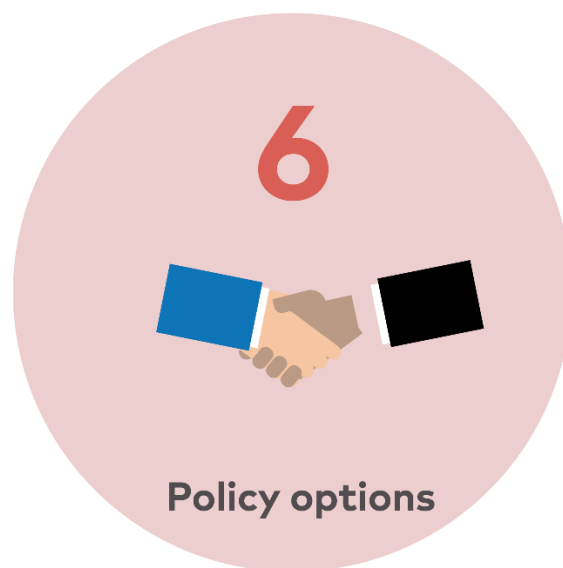# REGINA

Remote communities & resource-based industries

REGINA Local Smart Specialisation Strategy: Step 6 Guidelines

6

Policy options

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Introduction

The LS3 has been conceptualised as a 6-step process. We have now arrived at this sixth and final step, which is to transform the various knowledge components into actionable outcomes – outcomes that will carry the hard work forward to help create better futures in local communities. These future oriented strategic priorities will be based on political opinion, and will seek to influence future political decisions.

This document builds on the previous steps of the LS3 process. It offers general guidelines to finalise your LS3, so that it can be used as an **input into a politically agreed upon development process**. In other words, a strategic plan that has the backing of political and financial capital.

Our aim in producing this guidance is to propose a way for you to think about the results you have produced, and to take the final step to generate your LS3 outcomes. It's important to point out that "outcomes" could mean various things that include (but might not necessarily be limited to):

- The documentation of the results into a comprehensive LS3 document for your local context. It is important to note that this document should be named and branded as a development strategy based on your local characteristics and focus points of the work you have done.
- Political traction – legitimacy and influence on local/regional/national political process.
- Information, such as outcomes of the DFM, SIMP and/or LBAT that provides an evidence base to influence future policy decisions, either directly or indirectly.
- Prioritisation of strategic actions/investments in your community.

Local planners responsible for developing their LS3 should consider each of the following four aspects when producing the outcomes of their LS3. These should not be viewed as a sequence of steps, but as activities which may be carried out in parallel, and which will be interrelated.

Foremost, we propose that you: take a step back and think of all the work you have done in the different steps during this LS3 process (e.g. baseline, challenges & opportunities & vision, DFM, SIMP LBAT, etc.). How can this work act as an improved foundation for future measures to improve your community? How does it address key challenges and opportunities you face? How does it add to your knowledge base? How can you use the key messages to engage decision-makers? By doing this, you are *increasing your community's preparedness for dealing with large-scale resource-based industries.*

1. Report

The first thing to be done is to generate an overview of the core work that you have done up to this point. For some communities, this will include a summary of the main findings in each of the previous "steps" and for others it will focus on specific issues that have formed the core of the work. The important point is to provide a summary report of the work that is representative of the activities carried out, but general enough for a wide audience.

So, identify your important findings from Steps 1,2,3,4 and 5 and write them up as a cohesive content for your LS3 strategy[i].

For example, the **DFM** should have informed you how many migrants are required each year in order to maintain the current population. This gives you an estimate idea of how big a problem your municipality has, and what scale of intervention might be required. At the same time, it could show that a new mining development project might not add as much to your labour market as was expected. This would identify a need to not put "all your eggs in one basket" and highlight the importance of a balanced growth perspective.

When starting the Regina –project, social impacts as a concept was not that familiar to the project participants. Until this stage (hopefully) all recognize that developments of large-scale industries have many kinds of impacts to the local life (e.g. social structure, other livelihoods, well-being, experienced environmental impacts possibly harming local people). Based on the results of implementing your **SIMP** activities, you can describe what kinds of social processes of change and social impacts your community has experienced due to large-scale industries? And what have you done – with the help of REGINA-project – to mitigate negative impacts and reinforce positive impacts? What work has been done that your municipality and the residents will get their share of the benefits produced by the large-scale industries?

The LBAT will have provided you with a strategic starting point to base a local business development strategy, whether that be a strategy that focuses on expansive, competitive, conservative or defensive growth. Along with key industrial scenarios there should be robust findings on which industries should be targeted and to what extent. The results from the LBAT should fit into the LS3 model with ease based around the business aspects of the plan. Based on the LBAT SWOT results, it will be useful to list "target industries" and the risks and opportunities associated with each one. Will these new industries help combat constraints that were found in the early steps of the LBAT process? If analytical steps in the LBAT identified local industrial footprints that were underutilised these can be linked to new strategic industries.

2. Reflect

As mentioned in the introduction, a most important step is to take a step back and think of all the work you have done in the different steps during the LS3 process (e.g. baseline, challenges & opportunities & vision, DFM, SIMP LBAT, etc.). Take a look at the bigger picture of the challenges and opportunities of the community (maybe identified during Step 1 or 2) and how the work in Steps 3, 4 or 5 address them. At this stage, it is crucial to start to "Engage" (see below). You need to present main findings of the LS3 work to colleagues, core stakeholders, and other influential people (Mayor, city council, etc.). This dialogue creates ideas that form **strategic priority actions** and it builds the political buy-in that is needed to implement actions in the future. You could call this an internal *'Strategic priority workshop discussion'*.

So, prepare a presentation based on the key findings from each step (based on the summary developed in the reporting phase) as point of departure to support prioritisation of most important issues to go forward with. It can be one overarching strategic priority or several strategic priorities depending on the local context. Think, what do the results of the DFM mean for my community? What can the SIMP provide for us? What things can we invest in to promote business development? How do these issues fit together? Use this to lobby and build discussions with the key people around you.

For example, in relation to **demographics and labour market**, dialogue with the key policy practitioners and local politicians could give you a better appreciation of what is achievable and desirable in terms of in-migration. It may be that integration challenges will limit the rate at which in-comers arrive. It will also be important to explore the age/gender considerations. In-migration of middle age men will exacerbate the distortion of the age pyramid, and create further issues in coming decades.

For managing **social impacts** at the local level it is important to identify different groups of people, for example, so called vulnerable groups such as representatives of other livelihoods who may be experiencing negative impacts of large-scale industries. Or perhaps there are social problems having an effect on children because of a hard shift work of parents? Or perhaps there isn´t enough job opportunities for women? In some cases indigenous groups may be feeling that their culture is attacked – is it so in your municipality? And on the other side; the interests of large-scale industries are important for the development of the local economy. Hence, it is important to have **negotiations** with all members of local society and find ways to handle possible problems and have steps towards a future which is better for all in the community.

As we have discussed, the industry takes care of economic sustainability, authorities environmental issues according to legislation, but who takes care social sustainability – if not the municipality? Have you developed e.g. policy programs for managing local impacts of large-scale industries; created new kinds of networks with industries and other stakeholders; developed new internet-based models (e.g. PP-Gis) or something else?

The **LBAT** guidelines should inform this section, particularly the "Smart Strategy" section. It gives time to look at all the industrial scenarios in the context of the situational variation and reflect on how these results fit in with the local area. This is the time to examine if any of the business community already in the area can be utilised to explore new industry. Inward investment may be the most attractive option to realise new industrial potential. Are there any existing supply chain companies that can tender for work?

3. Construct

Bringing the "Reporting" and "Reflecting" together you can develop a pretty robust draft of your Ls3. At this point, it will be a combination of reporting the highlights based on the work carried out AND a series of key **strategic priority actions**[ii] based on the results produced in STEP 3, 4, 5 and the reflection step described above. From this the strategic priorities should be analysed in terms of any **existing policies related to these priorities.** Assess these policies to understand what flaws may exist in the current political legislation. Afterwards, it is also important to **examine the responsible actors** for this area (e.g. municipal, regional or national agency, administrative issues, legislative, court system, or the public). This, for example, could lead to decisions to reform existing policies rather that only creating new ones. Regardless of the status of current policies in the field of the selected strategic priorities it is crucial that those deciding these can achieve political support and funding for the actual implementation of the priorities.

So, at the end of the construct phase, you should have an LS3 document that is ready for public consultation.

Demography and Labour Market: Given what you have established about the level of migration is desirable and achievable, the next step might be to consider what approach, what kind of intervention, might achieve this. Since direct interventions in demography would not be culturally acceptable this probably takes you into the field of business development, where the LBAT tools and SWOT analyses will come into play. Also, policy suggestions from the report, "Demographic change and labour market challenges in regions with large-scale resource-based industries in the Northern Periphery and Arctic" D will also provide suggestions of policies.

You have reflected the situation in your municipality and the issues related to the large-scale industries. Are **social themes** of industrial development discussed in your policy papers for economy development or land use planning? Are different fields of municipal administration (e.g. social, economic and land use) discussing and working with each other to create a holistic approach to future developments? If not, suggest what could be considered to create these closer connections to the social realms.

The LBAT may point to an expansive strategy based around a few key industries, but the SIMP might rule out aggressive expansion from one of the industries. The DFM may show that the labour market is currently not capable of accommodating new industry. So, this construct might call for new education to train a skilled workforce to enter into new businesses.

4. Engage

This might be your most important work as the key person responsible for developing the LS3. As mentioned, its crucial to engage those people around you to help reflect upon the results - in order to construct strategic priorities and action points that are *relevant, robust, reflective* and *responsible.*

Likewise, you will not be able to produce the LS3 report on your own. You will have to *collaborate* with your colleagues and the research partners to make sure complimentary reports are referenced, that layout and design is managed, that the work is communicated on your website, social media and in local media, etc. in a *transparent* way, including formal public consultation activities.

And perhaps most important, you will have to be motivated to *debate, discuss* and *negotiate* with colleagues, politicians, and key stakeholders to not only identify the strategic priorities and action points, but also to ensure that they are politically legitimized and acknowledged by influential actors in the community.

So, it's crucial to remember that it doesn't matter how good the LS3 is if no one reads it. In particular, leading local politicians need to be "on board". Thus, communication and creating engagement is about making sure that key actors are on board and about building consensus. Here, final policy/stakeholder events, such as a press conference, public community meeting and business breakfast are important to the success of finalising the LS3. These events should target key local stakeholders, such as: developers, politicians, third sector and education units. Be proud to tell about your work also for the larger audience!

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i For step 1: Current situation
The baseline describes the current situation in relation to the impacts from resource-based industries. Focus is on local governance and planning, demographic trends, local labour market and human capital, land use

patterns, and the structure of economic activity. The input from step 1 provides an overview of current activities and strategies with the purpose to ensure that strategic priorities chosen will build on (rather than replicate) already implemented initiatives dealing with impacts from resource-based industries.

For step 2: Future challenges and opportunities
Step 2 reach out to the local population to assess future opportunities and challenges. This is part of ensuring an inclusive governance approach where habitants in the municipality is represented in the work assessing challenges and opportunities. The stakeholder dialogue results in a summary of a prioritised list with the most important thematic areas to consider as part of the process choosing the strategic priorities.

Step 3: Foresight analysis
The Foresight analysis provides population projections towards 2050. These projections give an indication of the local development and they also estimate the impacts from potential large-scale resource-based industries. The population projections provide an input to consider natural population growth versus in-migration population growth from e.g. new large-scale projects. Knowledge about expected population decline or growth provide an important foundation when selecting the strategic priorities.

Step 4: Planning and monitoring
Step 4 provide input on land-use planning and monitoring of social impacts. This step already has a self-contained policy dimension since doing a Social Impact Management Plan (SIMP) or participatory geographical information system analysis (GIS) can be seen as implementation of a strategy for an inclusive land-use planning. Still, findings in this process can be brought forward and selected as part of the strategic priorities.

Step 5: Local benefit analysis toolbox
The local benefit analysis toolbox offers guidelines to investigate how to retain local benefits in the municipality. Some of the key components are on innovation, entrepreneurship incubation, place-based labour market training and promoting local attractivity in terms of job-opportunity and place attractiveness. Upon completion of the business and local benefit investigation a comprehensive list of preliminary strategic priorities in this field has been produced to inform the selection of the final strategic priorities. Furthermore, the guidelines to conduct the SWOT analysis also offer comprehensive guidelines for a strategic design of strategic development for local benefit retention.

[ii] For example, if the strategic priority is to attract new inhabitants to the municipality because of a high number of vacancies in the private and/or public sector an action point could be to build a campaign targeting educational institutions to attract young people entering the labour market to the municipality.