

REGIONAL PROFIL OF TARTU AND SOUTH ESTONIA : SWOT ANALYSIS

Axis	Strengths	Weaknesses	Opportunities	Threats
	State of the art		Perspectives	
NATURAL ENVIRONNEMENTAL CAPITAL				
Geographic position		Border region in European periphery, on the EU border with Russia	Commercial opportunities Raising economic flows at the European and Russian border	
Natural resources	Forestry resources (65% of the area)		Energy forestry	
Environment	Due to lack of heavy industries the environment is in relatively good condition	Extensive use of timber and other natural resources will have a damaging effect	Using more local and reusable resources for energy production	
HUMAN CAPITAL				
Demography		Shrinking birth rate and diminishing population	Attracting people from outside to the region because of good quality of life	Aging population And lack of active labour force
Employment	High employment figures and growing labor productivity	Few highly qualified jobs Decline of the industrial employment	Raising employment in the services sector	Structural changes in regional economic activity threatening employment situation
SOCIAL CAPITAL				
Territorial cohesion	Dynamic Networks in place	Strong economic and social disparities on the territory		
Experiences in European territorial cooperation	Lot of experience in cooperation with different European regions, such as Uppsala, Tampere, Turku, Namur. Participation in many European projects.	Tartu region not very well know in Europe.	By increasing cooperation with other EU regions strengthening the regional competencies	
ECONOMIC CAPITAL				
Economic	High growth of	Not enough	Attracting more	Geographically

development	regional economy around 8-9% pre annum.	qualified labour force.	intelligent foreign investments into the region.	unbalanced economic development
External trade	Growing exports	Few strong brands and weak marketing		
Innovation and research	2 strong universities present in the region, the biggest university in Estonia Tartu University and Estonian University of Life Sciences. Functioning innovation support system.	Weak levels of technology transfer and commercialization activities between universities and industry, low level of patents.	Possibility of policy learning from other European regions and strengthening the regional innovation system.	Being “un-attractive” partner for cooperation with other regions.