A City for people and business since 1605

FIVE-MUNICIPALITY MERGER IN 2013
Brief History

Oulu was founded in 1605 by King Charles IX of Sweden on the mainland opposite the island of Linnansaari, which had a fortress.

Oulu is situated by the Gulf of Bothnia, at the mouth of the River Oulu.

The mouth of the River Oulu is an ancient trading site.

The name Oulu comes the word Owla meaning flood water in the Sami language.

1 Jan 2013: Haukipudas, Kiiminki, Oulu, Oulunsalo and Yli-Ii merged, forming the new Oulu.
OPPORTUNITIES IN

Northern Europe and the Arctic regions
OUlu Has A Key Role in Investments and Economic Growth in the North

By the end of 2025: Investments totalling €197bn in Northern Scandinavia and the Barents Region.
Finnish Chairmanship of the Arctic Council 2017–2019

As the country chairing the Arctic Council, Finland emphasises the importance of implementation of the Paris Climate Agreement and the UN’s sustainable development goals in Arctic collaboration.

During its chairmanship, Finland will promote Arctic collaboration and its continuity, including at the highest political level.
International Networks
We participate in export promotion trips, meet with potential associates and funders, as well as assist in organising sales negotiations.

Additionally, we strive for increasing awareness of our City’s reputation as the globally appealing place it has become for businesses, investors, travellers, event organisers, and experts from various fields.
Oulu, the Capital of Northern Scandinavia
The Oulu region is home to **250,000 people**, making it the largest urban centre in northern Scandinavia.

- Centre of education and culture
- Centre of trade and economy
- Logistics centre
- Experience centre
## Population

<table>
<thead>
<tr>
<th>Population: 31 Dec 2017</th>
<th>201,810</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated: 31 Dec 2018</td>
<td>203,659</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Men</th>
<th>49.9%</th>
<th>100,768</th>
</tr>
</thead>
<tbody>
<tr>
<td>Women</td>
<td>50.1%</td>
<td>101,042</td>
</tr>
</tbody>
</table>

Oulu is one of the fastest growing urban centres in Finland.

**Young age structure**: a steady stream of students and job-seekers, high birth rate
City of young people

Average age 38.5 years
Oulu is a City of two universities
Oulu is one of the youngest cities in Europe

An atmosphere that encourages innovation

High education level – every third person in Oulu has a university degree.

University of Oulu and University of Applied Sciences: about 25,000 students

A great foundation for building the future!
Municipal elections *ja*

City Governance
## Municipal elections 2017

<table>
<thead>
<tr>
<th>Party</th>
<th>Votes</th>
<th>%</th>
<th>Councillors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Centre Party</td>
<td>20,827</td>
<td>24.2</td>
<td>17</td>
</tr>
<tr>
<td>National Coalition Party</td>
<td>16,415</td>
<td>19.1</td>
<td>13</td>
</tr>
<tr>
<td>Left Alliance</td>
<td>13,765</td>
<td>16.0</td>
<td>11</td>
</tr>
<tr>
<td>Green League</td>
<td>12,679</td>
<td>14.7</td>
<td>10</td>
</tr>
<tr>
<td>Social Democratic Party</td>
<td>10,597</td>
<td>12.3</td>
<td>8</td>
</tr>
<tr>
<td>Finns Party</td>
<td>7,153</td>
<td>8.3</td>
<td>6</td>
</tr>
<tr>
<td>Christian Democrats</td>
<td>2,042</td>
<td>2.4</td>
<td>1</td>
</tr>
<tr>
<td>True Finnish Joint List</td>
<td>1,286</td>
<td>1.5</td>
<td>1</td>
</tr>
<tr>
<td>Others</td>
<td>1,397</td>
<td>1.5</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>86,161</strong></td>
<td><strong>100.0</strong></td>
<td><strong>67</strong></td>
</tr>
</tbody>
</table>

In addition, 462 (0.5%) discarded votes. Voting turnout 56%. 
# City Council 2017–2021

<table>
<thead>
<tr>
<th>Party</th>
<th>Councilors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Centre Party</td>
<td>17</td>
</tr>
<tr>
<td>National Coalition Party</td>
<td>13</td>
</tr>
<tr>
<td>Left Alliance</td>
<td>11</td>
</tr>
<tr>
<td>Green League</td>
<td>10</td>
</tr>
<tr>
<td>Social Democratic Party</td>
<td>8</td>
</tr>
<tr>
<td>Finns Party</td>
<td>5</td>
</tr>
<tr>
<td>Christian Democrats</td>
<td>1</td>
</tr>
<tr>
<td>True Finnish Joint List</td>
<td>1</td>
</tr>
<tr>
<td>Blue Council Group</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>67</strong></td>
</tr>
</tbody>
</table>
Decision-making and organisation in Oulu
The City Council is the highest decision-making authority in the City. The Council guides the development of the City in a concrete manner by wielding economic power.

The City Board is responsible for municipal administration and economy, preparation of the matters to be decided by the City Council, and for making sure that the decisions made by the council are implemented and in accordance with the law.

Committees and boards are institutions consisting of elected officials under which the actual City of Oulu services operate.
Mayor
The Mayor of Oulu is Päivi Laajala, with Jukka Weisell, Financial Director, acting as the Mayor’s deputy.

City Council
Chair: Juha Hänninen (National Coalition Party)
- 67 councillors
- Municipal elections every 4 years

City Board
Chair: Kyösti Oikarinen (Centre Party)
- 13 members elected by the City Council
- Members by party/group: Centre 3, Coalition 3, Left Alliance 2, Social Democrats 2, Green League 2, Finns Party 1
In the 2018 budgetary estimates, the deficit of the City of Oulu was estimated to be -19.0 million. The actual deficit for the accounting period was EUR -19.3 million.

The growth of tax funding (tax revenues and state subsidies to municipalities) was approx. 0.6 %. The financial income is not sufficient in relation to service and investment needs.

The realised investment level was approx. EUR 131 million.

Net borrowings EUR -12.9 million. The loan balance at the end of the year was EUR 645.5 million.

Interest expenses in 2018 amounted to approximately EUR 10.7 million (includes financial protection costs).

The net operating margin of the City of Oulu increased by approx. 4.4% from 2017.
Budget proposal 2019,
THE CITY OF OULU’S ANNUAL SURPLUS

EUR ~58 million, depreciations EUR 82 million, deficits approx. EUR ~23.2 million

THE NET INVESTMENT-LEVEL approx. EUR 135.2 million

NET BORROWINGS
EUR 84 million, by the end of 2019 EUR ~763 million in total

Interest expenses approx. EUR 13 million calculated based on interest rate of 2 percent, the growth compared to 2018 approx. EUR 2 million (interest expenses include the financing protection costs)

According to the Mayor’s budget proposal, the growth of the City of Oulu’s combined operating margin will be approx. 3.2 percent compared to 2018, and correspondingly, the growth of tax funding (tax revenues and state transfers to local government) will be approx. 4.1 percent.

Net investments = gross capital expenditures – financial contributions – sales
Net borrowings = increases in long-term loans – decreases in long-term loans – changes in short-term loans
## Economic indicators

<table>
<thead>
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</tr>
</thead>
<tbody>
<tr>
<td>Tax rate</td>
<td>20.00</td>
<td>20.00</td>
<td>20.00</td>
<td>20.00</td>
<td>19.25</td>
</tr>
<tr>
<td>Yield per percentage point of tax, € million</td>
<td>33.3</td>
<td>33.2</td>
<td>32.7</td>
<td>31.6</td>
<td>32.4</td>
</tr>
<tr>
<td>Tax revenue, € million</td>
<td>765</td>
<td>743.6</td>
<td>734.1</td>
<td>708.1</td>
<td>692.7</td>
</tr>
<tr>
<td>Revenue from property tax, € million</td>
<td>56.1</td>
<td>45.5</td>
<td>43.6</td>
<td>43.8</td>
<td>40.5</td>
</tr>
<tr>
<td>State transfers to local government, € million</td>
<td>270</td>
<td>273.4</td>
<td>253.8</td>
<td>230.3</td>
<td>225.1</td>
</tr>
<tr>
<td>Investments, € million</td>
<td>113</td>
<td>125.3</td>
<td>115.</td>
<td>190.7</td>
<td>193.9</td>
</tr>
<tr>
<td>Investments cash-flow financing, %*</td>
<td>108</td>
<td>61</td>
<td>74</td>
<td>41</td>
<td>36</td>
</tr>
<tr>
<td>Changes in long-term loans, € million</td>
<td>−38.5</td>
<td>15.8</td>
<td>14.5</td>
<td>41.3</td>
<td>92.7</td>
</tr>
<tr>
<td>Loans outstanding, €/resident</td>
<td>3,126</td>
<td>3,346</td>
<td>3,300</td>
<td>3,266</td>
<td>2,858</td>
</tr>
<tr>
<td>Annual surplus, € million</td>
<td>119</td>
<td>76.3</td>
<td>85.3</td>
<td>75.2</td>
<td>80.4</td>
</tr>
<tr>
<td>Annual surplus, €/resident</td>
<td>589</td>
<td>380</td>
<td>430</td>
<td>383</td>
<td>415</td>
</tr>
</tbody>
</table>

*Investments cash-flow financing rate = 100 * annual surplus/(investment costs – financial contribution)
Vision and values
The Light of the North
Courage
Fairness
Responsibility
CENTRAL AIMS OF OULU

- Increase the number of jobs
- Decrease youth unemployment
- Ensure that the young continue their studies after basic education
- Promote sustainable means of transportation
- Further the city centre’s infill construction and enhance its appeal
- Reinforce and develop Oulu’s digital services
- Improve residents’ opportunities to participate and communicate
- Become the 2026 European capital of culture
Conversion Programme Oulu and Urban Strategy Oulu 2026
The City of Oulu Group is getting ready for the establishment of the new province and for the coming reforms.

The aim of Conversion Programme Oulu is to boost the City’s viability and economy and to create a foundation for the HR policies, cooperation procedures and organisational changes needed.

Urban Strategy Oulu 2026 assesses the changes taking place in the operating environment and makes way for the City’s new and changing tasks. Drafting the strategy will commence in autumn 2017 led by the City Council.
Oulu is the logistics hub of Arctic Europe

All major roads meet in Oulu
The distance from Oulu to Helsinki is about 600 kilometres, the same as to Nuorgam, the northernmost point in Finland.

With a million passengers a year, Oulu Airport is the second busiest in Finland.
The winter cycling capital of the world
Oulu is one of the best bicycle cities in Finland. The City has more than 600 km (900 km in the Oulu region) of purpose-built roads for pedestrian and bicycle traffic.

Winter biking is popular, and Oulu has been ranked as the best winter biking city in the world.

Bicycle routes are constantly being developed to serve both commuters and hobby cyclists even better.
Housing costs have been shown to be half of those in the capital region.
Oulu is a city with sea and numerous rivers. The city, its services, places of work and recreational opportunities are easily reachable.

Housing is high-class yet inexpensive. New residential areas are constantly being built.

Oulu is truly a city for children and young families. The pace of life is easy and relaxed, and recreational opportunities are close at hand.
Oulu has a versatile business structure. The ICT sector is very strong.
Jobs by industry in Oulu

Total: 85,288

- Agriculture, Forestry and Mining
- Hospitality and Catering
- Construction
- Education
- Industries
- Commerce and Traffic
- Other Services
- Health and Social Services
- Unknown
LEADING GLOBAL ICT BRANDS IN OULU

Oulu Capital of Northern Scandinavia
Strong basic industry

Paper | Chemistry | Stainless steel | Forestry | Steel | Energy
FASTEST GROWING CITY IN THE ARCTIC
Investment potential
2015–2025
TO NORTH

North Europe Total
€197 Billion

- Wind
- Transport infra
- Bioenergy
- Electrical grid
- Nuclear
- Hydro
- Mining
- Industry
- Tourism
- Public
- Trade
- Oil and Gas

source: arctic business forum 2016
COOPERATION ACROSS ORGANISATIONAL BOUNDARIES
Future visions
Future visions

Kiikelin löylymaailma
Allas Sea Pool Oulu 2020

Terwa Tower 2023

Raatti
Maritime setting

Hupisaaret
A meeting place for local residents

Asemanseutu
Multi-function arena 2023

Housing fair 2025

Linnanmaa Innovation Campus

Development of Raksila Area 2022
DEVELOPMENT OF THE RAKSILA AREA
OULU REGION’S AIM FOR THE FUTURE: propositions for the Finnish Government

OULU – GROWTH FROM THE NORTH
Large university cities are engines of national growth and employment. Employment services should be mainly the responsibility of one service provider, and any information barriers between parties must be broken down. Municipalities will have a chance to cooperate in providing for the growth and employment services. The cooperation includes considering the possibility of partnerships between municipalities and the TE services, Kela, and CEDTE (Centre for Economic Development, Transport and the Environment). In future, sustaining employment services will demand innovative initiatives and pilot projects. The innovation funding from Business Finland must increase by € 300 million.

DIGIHEALTH KNOWLEDGE HUB TO OULU
The University of Oulu is building a Finnish DigiHealth Knowledge network. The national network of knowledge will support the development of digital solutions, health technology research, education, and innovation activities as well as act as the developer of information secure and ethically sustainable data practices.

INVESTING IN INNOVATIVE AND CREATIVE RESEARCH AND STRONG KNOW-HOW
The University of Oulu’s share of the core funding allocated by the Ministry of Education and Culture (OKM) to the universities is only 9 percent, even though the university’s region – in Northern and Central Ostrobothnia, Kainuu region, and Lapland – inhabits approximately 13 percent of the working-age population of Finland and 15 percent of the youth cohort (Statistics Finland). The businesses within the Oulu region have a recruitment need of 3,000 ICT professionals in between 2018–2020. Utilizing the higher education of the ICT sector to support the growth potential requires extra funding.
OULU REGION’S AIMS FOR THE FUTURE: propositions for the Finnish Government

The Oulu region – logistic junction
Through the railway station and the second busiest airport in Finland travels approximately a million person travel, and the number is on the rise.

TOP PROJECTS IN LOGISTICS:
Developing the connections to the main rails and docks – from Oulu to Helsinki in four hours

• The Oulu region views that it would be important for the competitiveness and economy of the Northern Finland to have a one-hour train connection from Oulu to Kokkola, Rovaniemi, and Kajaani.
• The increase in cargo and passenger transports calls for a double track between Oulu—Kempele—Liminka and building road and rail connections to the Oulu docks. These measures will support the rail refurbishment of the Oulu—Seinäjoki rail, the functionality of the city region as well as the implementation of Oulu’s new deep-water channel.
• It is necessary for the growth of the Northern Finland and the public transportation system to investigate the viability of the so-called airport rail link, which means building a rail connection from the railway station to the airport.

Oulun asemanseutu

• The Asemanseutu (“station district”) is being developed and created together with the City and with Senaatti Asema-alueet Oy (ltd.) so that in addition to being a travel centre, the district will be a versatile centre for living, working, services, events, and experiences.
Oulu region – logistic junction

**TOP PROJECTS IN LOGISTICS:**

**TEN-T core network corridor is extended from Helsinki via Oulu to Tornio**

- The North Sea – Baltic core network extends from Helsinki via Oulu to Tornio
- The ports of Raahe and Oulu, and Oulu Airport will be added to the core network corridor TEN-T in the future.
- The electrification of the Laurila-Tornio/Haparanda rail creates a significant opportunity for the Bothnian Arc Area to increase economic cooperation, mobility of labour, and tourism.

**Oulu—Helsinki C-Lion2 -Submarine Cable**

- The Oulu—Helsinki submarine cable project should be initiated immediately
- The competitiveness of data centres should be restored to the same level as others’ within the Nordic countries
Oulu is bidding for the 2026 European Capital of Culture title

- Municipalities submit their proposals for the first phase in 2020. All proposals, regardless of whichever Finnish city the panel selects, must include information on the amount of government funding for the project. For the project to succeed, the government should allocate a minimum of €20 million of central government transfers for the capital of culture.
- The government transfers to municipalities’ art and culture services strongly favour the municipalities of southern Finland, observed both in relation to per capita and the submitted applications. Currently, the grants for Northern Ostrobothnia are the smallest, even when summing up all the grants from the Ministry of Education and Culture to art and culture. Children and the young must have, regardless of where they live, equal opportunities for art education.

The Future EU cohesion funds must support the growth in the north

- The cohesion funds for the Northern and eastern Finland must remain at the same noteworthy level in the future, on the grounds of their special statuses as sparsely populated areas mentioned in the joining agreement of Finland.
Port of Oulu & Sea Channel
Highway E4: Oulu–Kemi
important development targets
The port of Oulu and the deep-water channel

Deepening the port entrance channel from current 10 metres to 12.5 metres would significantly increase the effectiveness of maritime transport (even 40 percent lower costs per unit).

The ports of the Bay of Bothnia will become more important as the number of freight, consequent upon the Northern Finland’s mining, bio-, and timber industries, increases.

The costs of the deep-water channel are €25 to €30 million, and approx. half of that will be financed by the City of Oulu. An additional €12.5 million will be used for developing the port of Oulu. Dredging the new deep-water channel took only 6 weeks and it will open for traffic in June 2019 after the channel markings have been put in their place.
NEW WASTE SORTING FACILITY WILL RISE IN RUSKO
City of Oulu holdings
Members of the City of Oulu Group – a diversified group

City of Oulu holdings
Distribution of ownership (€2.8bn) in the City of Oulu Group
(Dec 31st 2016)

- **Osakkuusyhtiö: 54 milj.€ 2 %**
- **Säätiöt: 8 milj.€ 0 %**
- **Kuntayhtymät: 236 milj.€ 8 %**
- **Tytäryhtiöt: 1.178 milj.€ 42 %**
- **Peruskunta: 630 milj.€ 23 %**
- **Liikelaitokset: 700 milj.€ 25 %**
Oulu Group – *External loans*

**Large cities’ loans**

<table>
<thead>
<tr>
<th>City</th>
<th>FS2013</th>
<th>FS2014</th>
<th>FS2015</th>
<th>FS2016</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>Helsinki</td>
<td>4,096</td>
<td>4,445</td>
<td>4,416</td>
<td>4,358</td>
<td>4,359</td>
</tr>
<tr>
<td>Espoo</td>
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<td>Jyväskylä</td>
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<td>Kouvola</td>
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<td>Kuopio</td>
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<td>Lahti</td>
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<tr>
<td>Oulu</td>
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<td>Pori</td>
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<td>Tampere</td>
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<td>Turku</td>
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<td></td>
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<tr>
<td>Vantaa</td>
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</tbody>
</table>

1,000 euros
Social and healthcare services reform
Welfare centres

- Maternity and child clinics
- Home services, work with families
- Child protection
- Service guidance
- Mental health and substance abuse services
- Home care
- Doctor’s and nurse’s reception, social worker’s reception
Digitalisation

Utilised in social and health care services in many ways:

– Oulu self-care service (>90,000 users)
– Product testing (OuluHealth Labs)
– Technology and robotics solutions, e.g. to help the elderly
Renewal programme in figures

**INVESTMENTS OF THE RENEWAL PROGRAMME**
~€900 Million
approx. 4–6% of the life-cycle costs during 30 years

**OPERATING EXPENCES**
€26.6 Billion
during a life-cycle of 30 years, calculated with the current cost increase of approx. 3%

**SAVING POTENTIAL**
€5.6 Billion
halving the increase of operating expenses from 3% to >1.5% within the 30 year life-cycle.

**COST-EFFICIENCY**
10–15%
increase in output-based productivity of work

**PARTIAL PROJECTS**
3–4
The renewal programme is realised gradually

**OF UPKEEPS**
–40%
the new technical building systems and efficient space arrangements can reduce the upkeeps approx. 40–50%

The Future Hospital OYS 2030 renewal programme was accepted in 2012. Realisation takes place between 2015–2030.
Wellbeing
Close to families
Wellbeing close to families

Local operation is aimed particularly at improving wellbeing among children and adolescents.

Special features of different areas are taken into consideration.

Different actors work in close collaboration.

Residents are actively involved in planning and implementation.

E-services and solutions aimed to promote independent coping facilitate everyday life.
Events promote viability

Key themes: light and the sea
Oulu is a major event City in Northern Europe, with focus on medium-sized and large culture and sports events.
OU LU MAT KA LLA EU R OOP AN K U LT TUU RI PÄ Ä K A U P U N G IKSI

TOWARDS THE EUROPEAN CAPITAL OF CULTURE
Nallikari
A luxurious sandy beach that attracts tourists and locals alike
Shopping and city life
Thank you for your interest!

Get acquainted with Oulu:

- [www.ouka.fi](http://www.ouka.fi)
- [www.oulu.com](http://www.oulu.com)
- [Oulun kaupunki – City of Oulu](http://www.oulu.com)
- [Oulun kaupunki](http://www.oulu.com)
- [@cityofoulu](https://twitter.com/cityofoulu)