Alaska Comprehensive Economic Development Strategy (CEDS)

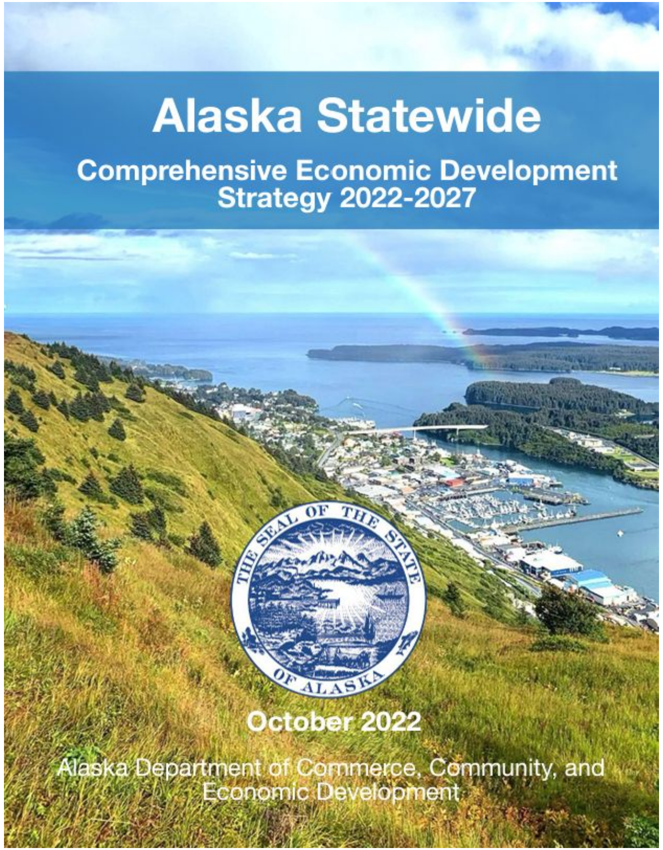
University of Alaska Center for Economic Development
for
Alaska Department of Commerce, Community, and Economic Development

CED
Center *for* Economic Development
UAA Business Enterprise Institute

THE SEAL OF THE STATE OF ALASKA

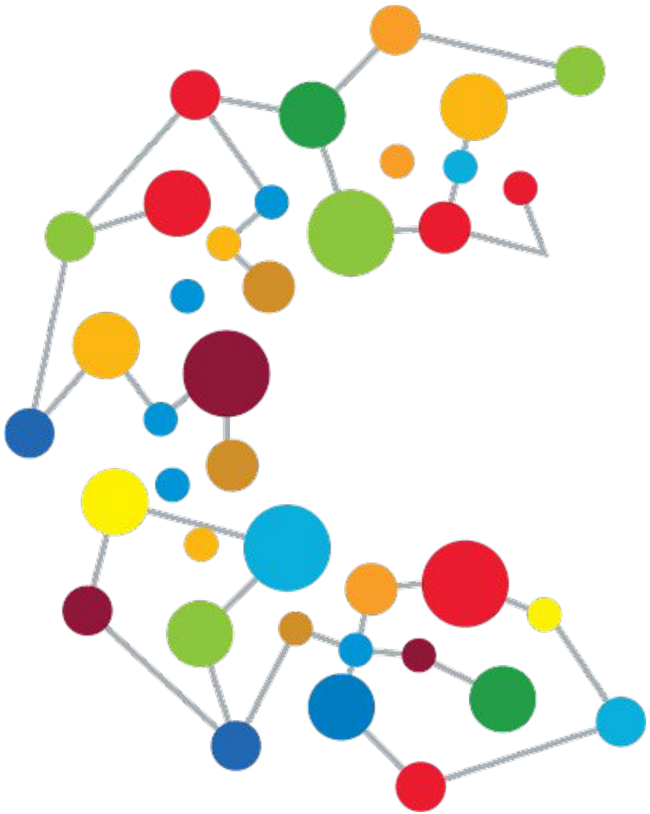
What is a CEDS?

- A **strategic plan** for economic development of a locality, region, or state
- Requires a **public process**
- Necessary for some **federal funds**
- Valid for **5 years**, updated annually (2022-2027)
- Must be approved by the **Economic Development Administration** (EDA)

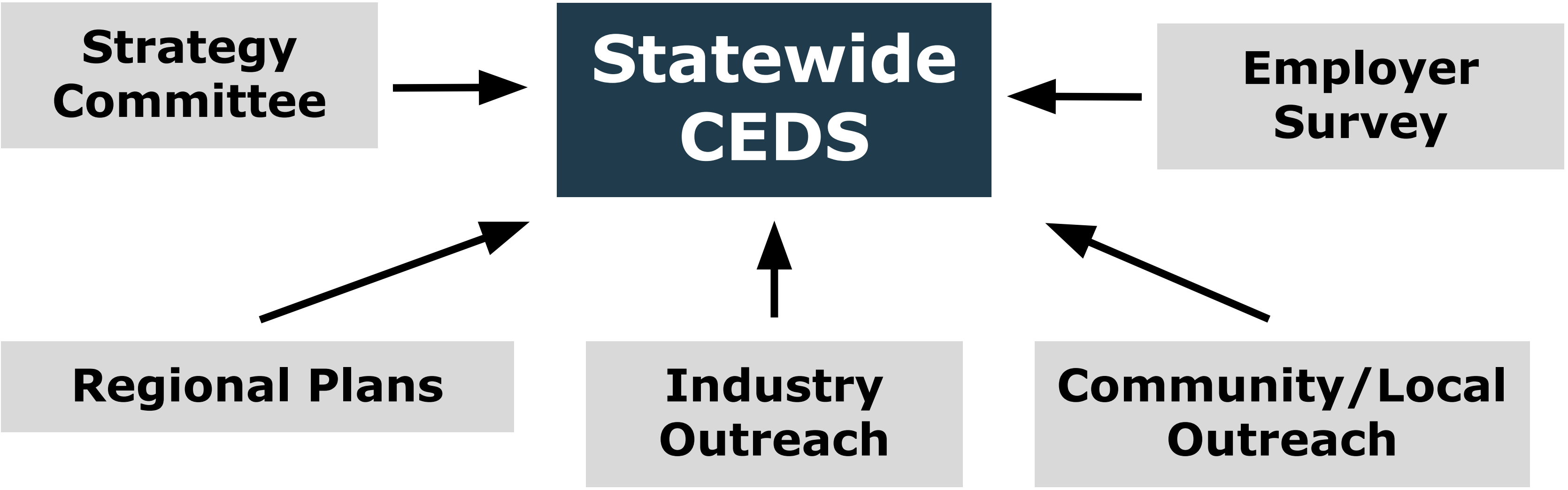


Why have a statewide CEDS?

- Most industries **span multiple regions**
- Many **infrastructure needs are statewide** (i.e. broadband)
- Serve **regions without a CEDS**
- Promote **statewide growth and recovery**
- Attract **strategic federal investments**

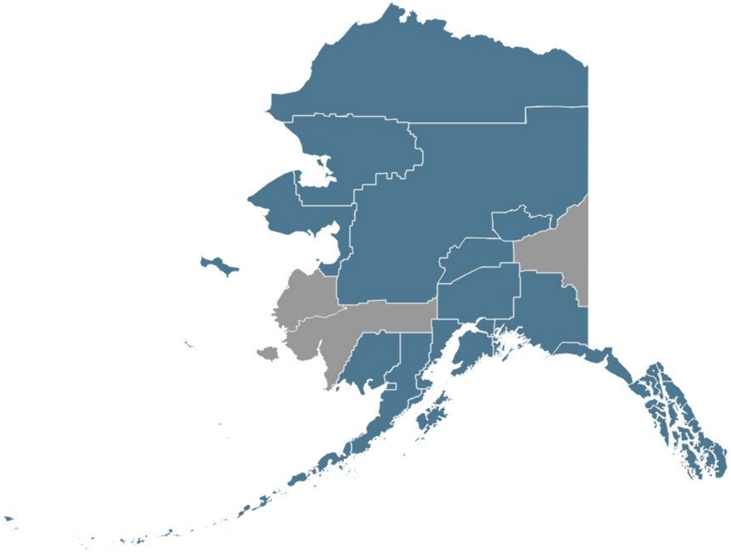


A robust public process



CEDS outreach included

- **Strategy Committee** meetings (50+ members)
- 32 **listening sessions**: all parts of Alaska
- 25 **key informant interviews**
    - Industry associations
    - Government leaders
- **Employer survey**: 200+ responses



Alaska's economic position, condensed

Challenges

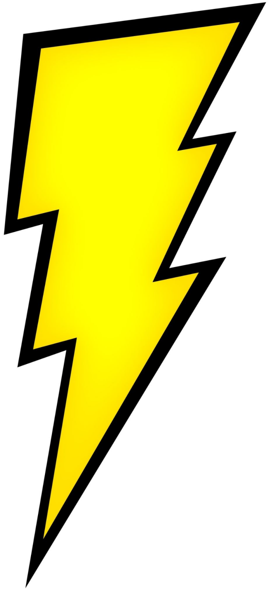
- Recession, stagnation, slow recovery
- Declining oil and gas production
- Workforce shortages
- High operating costs
- Regulatory hurdles to development

Opportunities

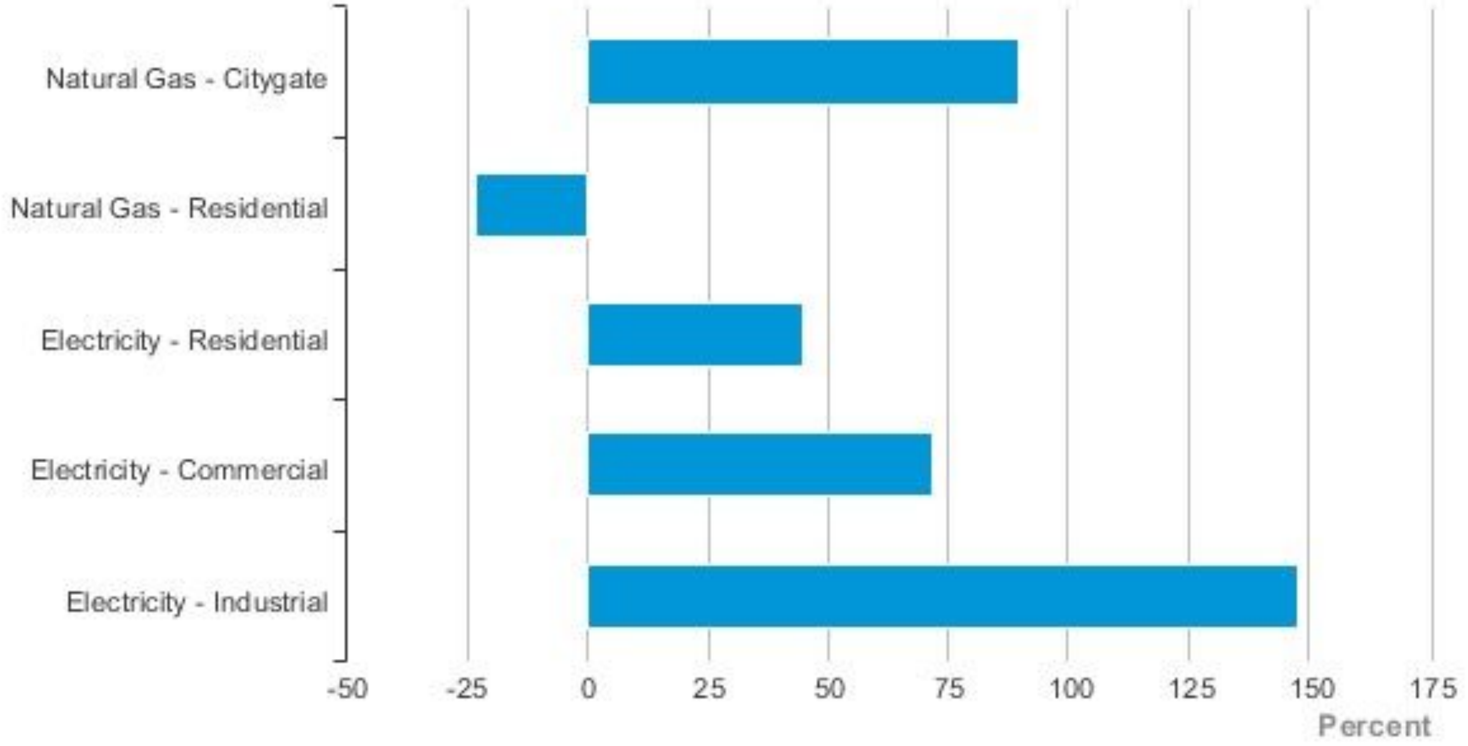
- Resource development opportunities
- Emerging sectors: energy, mariculture, aerospace, marine services, etc
- Geographic position: Arctic and Pacific Rim
- Federal infrastructure investment

Energy's multifaceted role in Alaska's economy

1. We are a major **producer** of energy, via oil and gas
2. High energy **costs** are a significant economic constraint
3. Energy **innovation** is a potential source of economic opportunity
4. Supply of energy is a **resilience challenge**

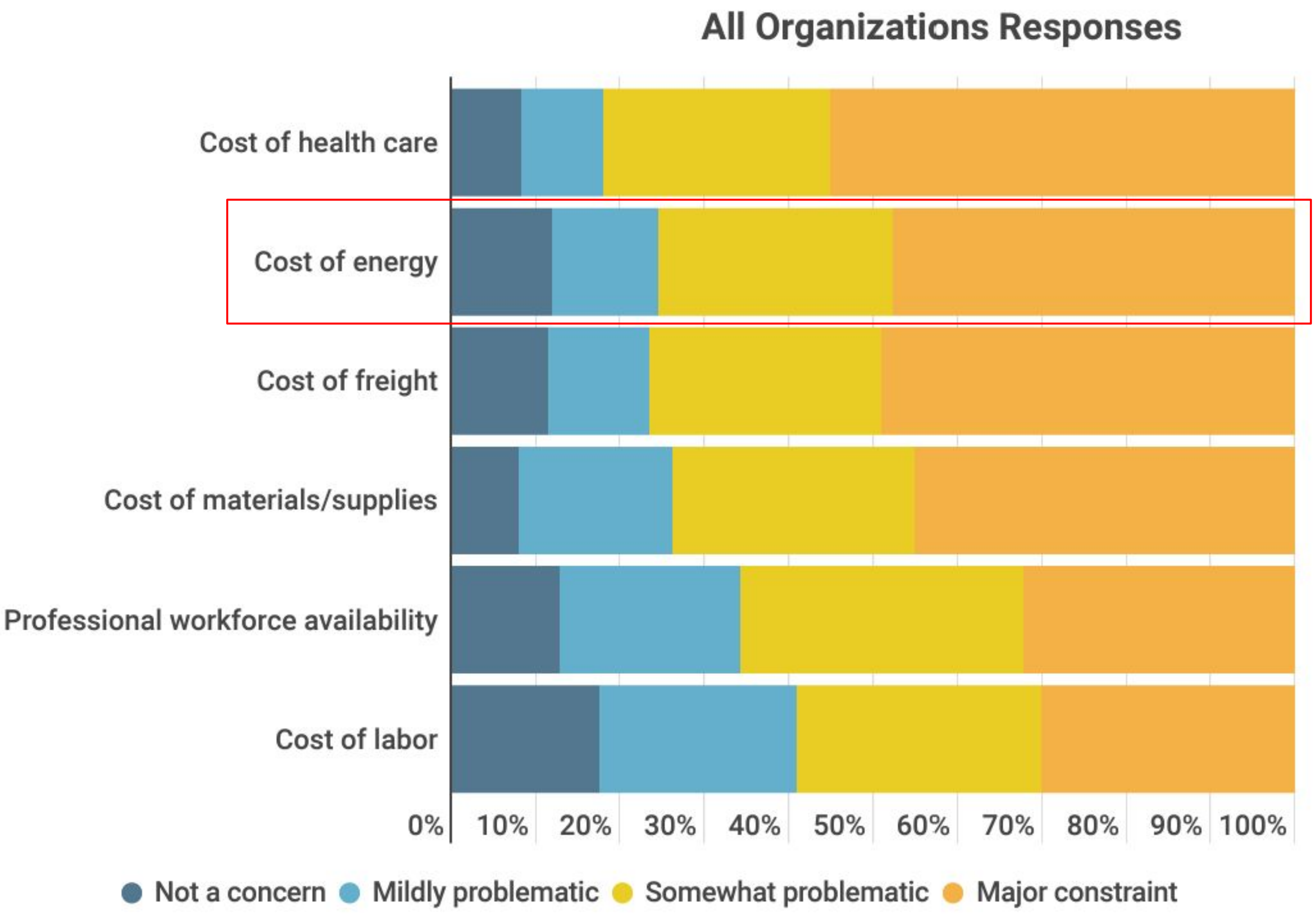


Alaska Price Differences from U.S. Average, Most Recent Monthly



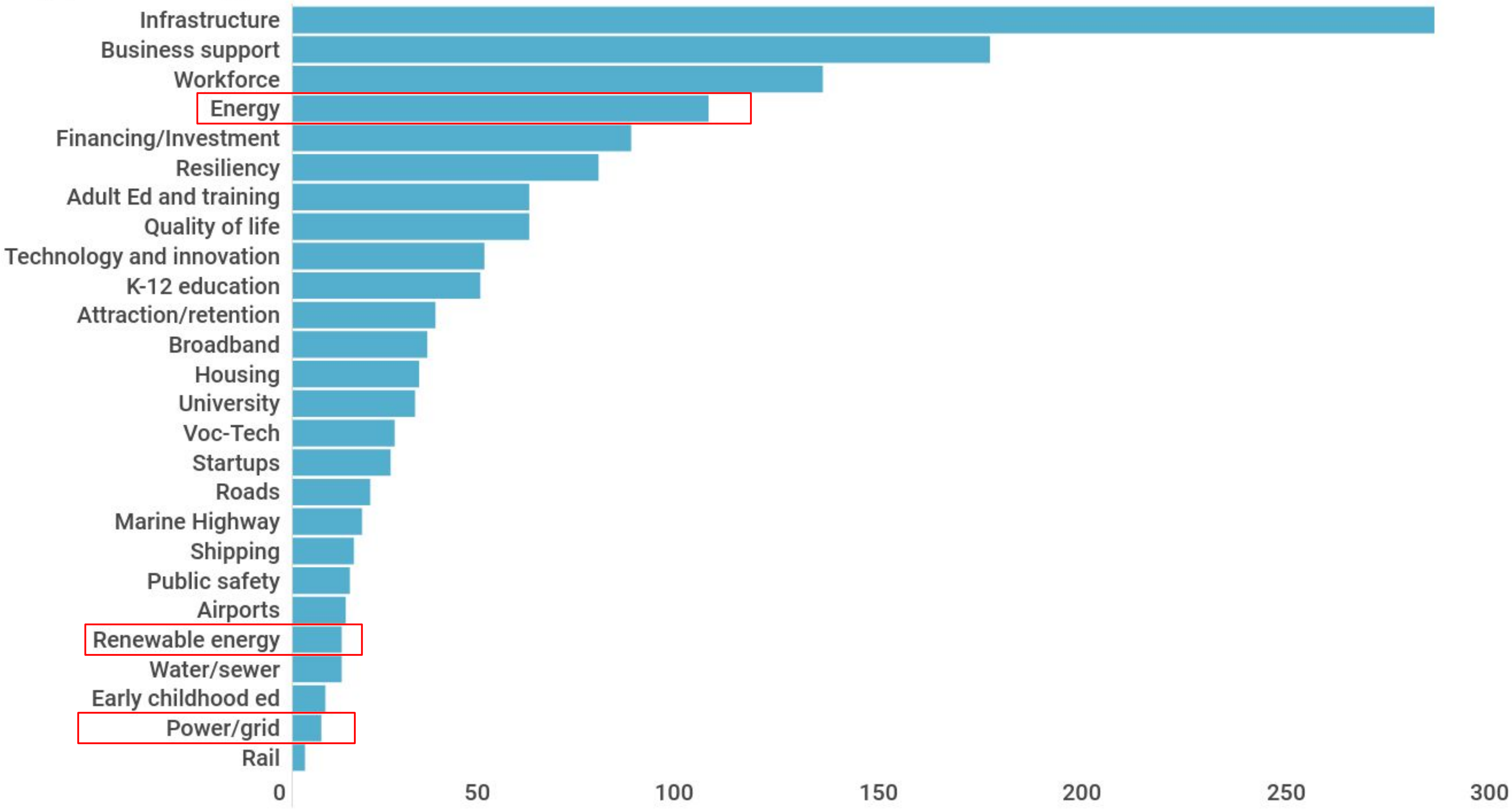
Source: Energy Information Administration, Petroleum Marketing Monthly; Natural Gas Monthly; Electric Power Monthly

What Barriers do Respondents See for their Organizations?



All types of organizations found the cost of doing business (healthcare, energy, freight, materials/supplies, and labor) to be a constraint for their organization.

Types of goals mentioned in AK CEDS documents



Most frequently mentioned in listening sessions

- Workforce shortages and gaps
- Housing availability and affordability
- Energy costs
- Availability of child care

Major CEDS Goals

1. Strengthen Alaska's **Economic Engines**
2. Cultivate and Grow **Emerging Sectors**
3. Support Alaska **Businesses** and the **Entrepreneurial** Ecosystem
4. Build and Update **Economic Foundations**
5. Develop Alaska's **Workforce** and Human Capital
6. Build a **Resilient** State Economy


Goal 1: Strengthen Alaska's
Economic Engines

Goal 2: Cultivate and Grow Emerging Sectors

Goal 3: A Strong Business Climate & Entrepreneurial Ecosystem

[redacted]

Goal 4: Build & Update Economic Foundations

Valdez

Photo by Jeremy Talbott

Goal 5: Develop Alaska's Workforce & Human Capital

Goal 6: Build a Resilient Economy

Resiliency refers to the ability of an economy to avoid, withstand, or mitigate the effects of negative external events such as natural disasters, commodity price instability, or downturns. Recent years in Alaska have witnessed oil price swings, fisheries disasters, floods, earthquakes, severe storms, wildfires, food supply chain interruptions, power outages, coastal and riverine erosion, cyber-attacks, and the COVID-19 pandemic. Some of these are associated with climate change. The CEDS includes both proactive and responsive measures to plan for and reduce negative impacts.

Thank You!

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