

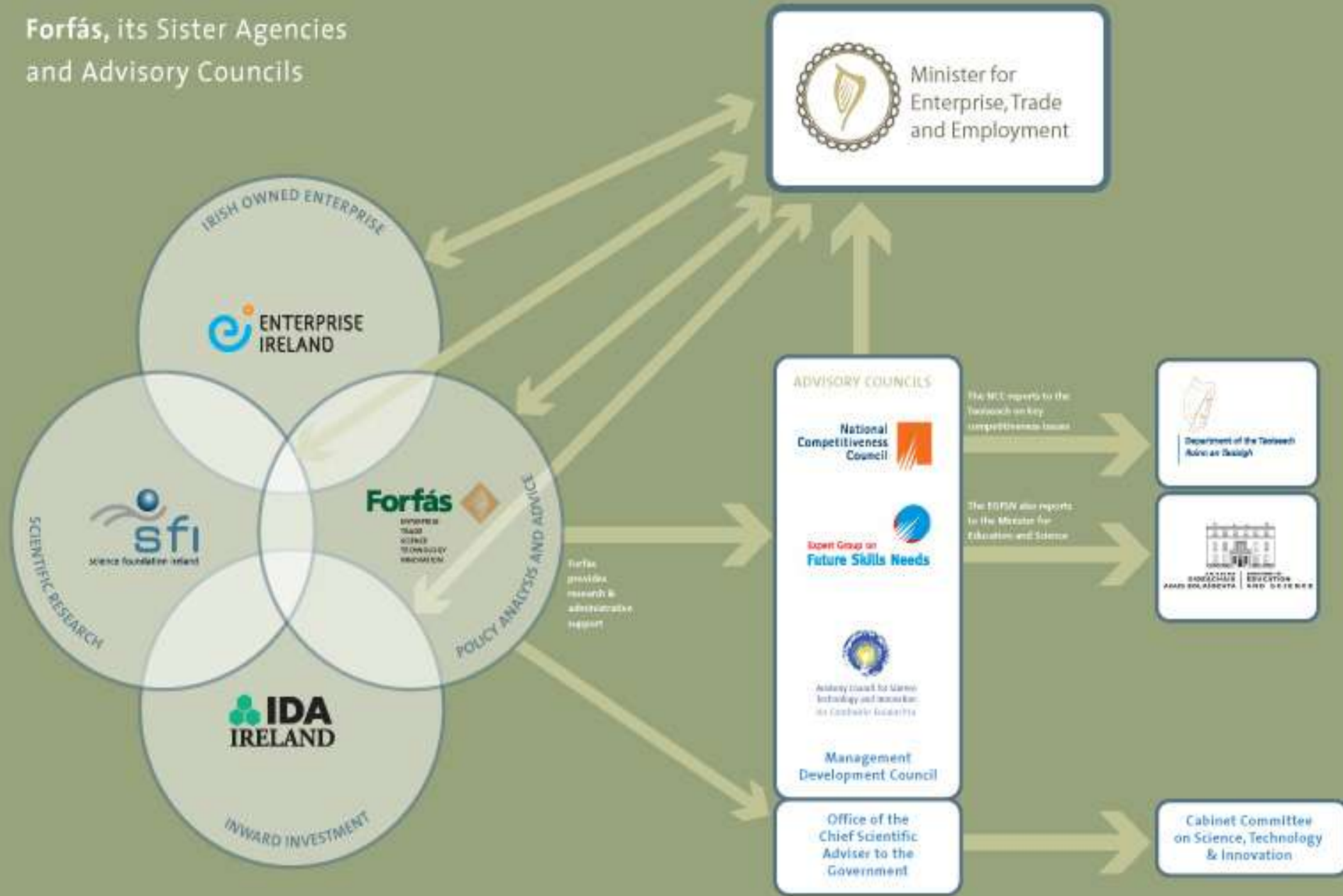
Supporting Enterprise Development in the Regional Context

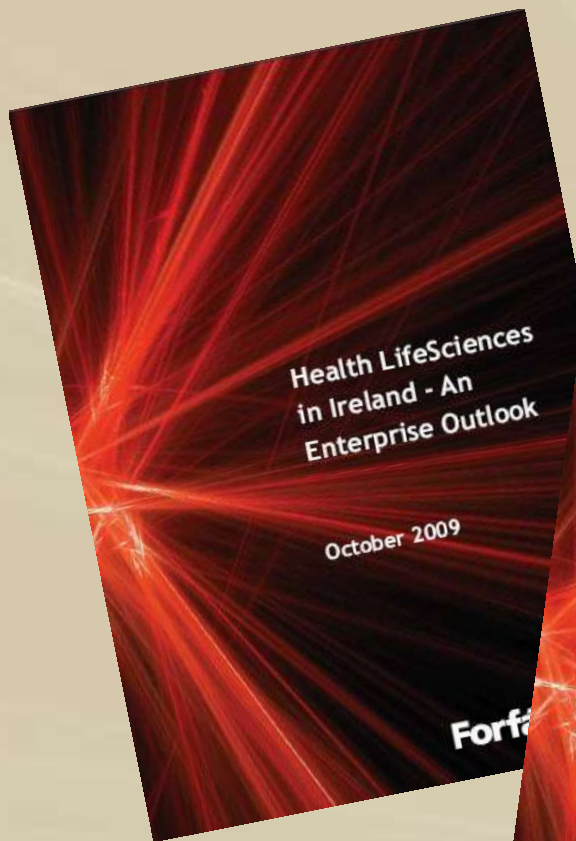
CCBS N/S Research Forum
9th December 2009

Céline McHugh



Forfás, its Sister Agencies and Advisory Councils



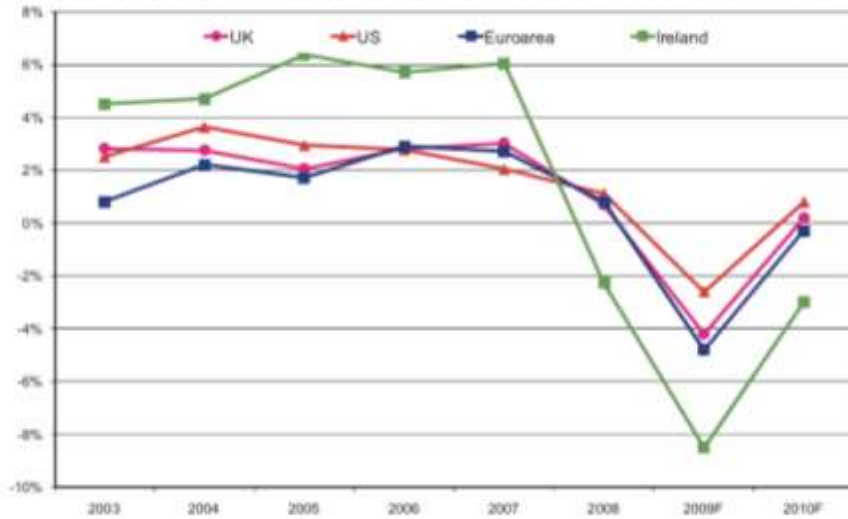


Immediate Challenges...



Immediate Challenges...

Figure 1.1: Real GDP Percentage Change over Previous Year



Source: IMF, World Economic Outlook, July 2009

Contribution of Exports to GDP Growth (Constant Prices)



Strong growth in the domestic economy, driven by investment in housing and consumption, replaced exports as the key driver of growth...significant increases in the cost of doing business in Ireland...

Where to from here ?

- ▶ Building the Smart Economy - a Return to Export Led Growth
- ▶ Firms' decisions are not based on cost alone
- ▶ Regions have a key role to play
- ▶ Enterprise Agencies promote enterprise development in a context of continuous change

Global Trends

- ▶ New Markets and increased Global Competition
- ▶ Indigenous firms are competing internationally
- ▶ New Global Business Models facilitated by Enabling Technologies
- ▶ Increased mobility of people and capital (FDI/ODI)
- ▶ Global Shift to Services
- ▶ Cities competing with Cities for Foreign Direct Investment
- ▶ Environmental Considerations: Sustainability
- ▶ The increasing importance of dynamic urban regions

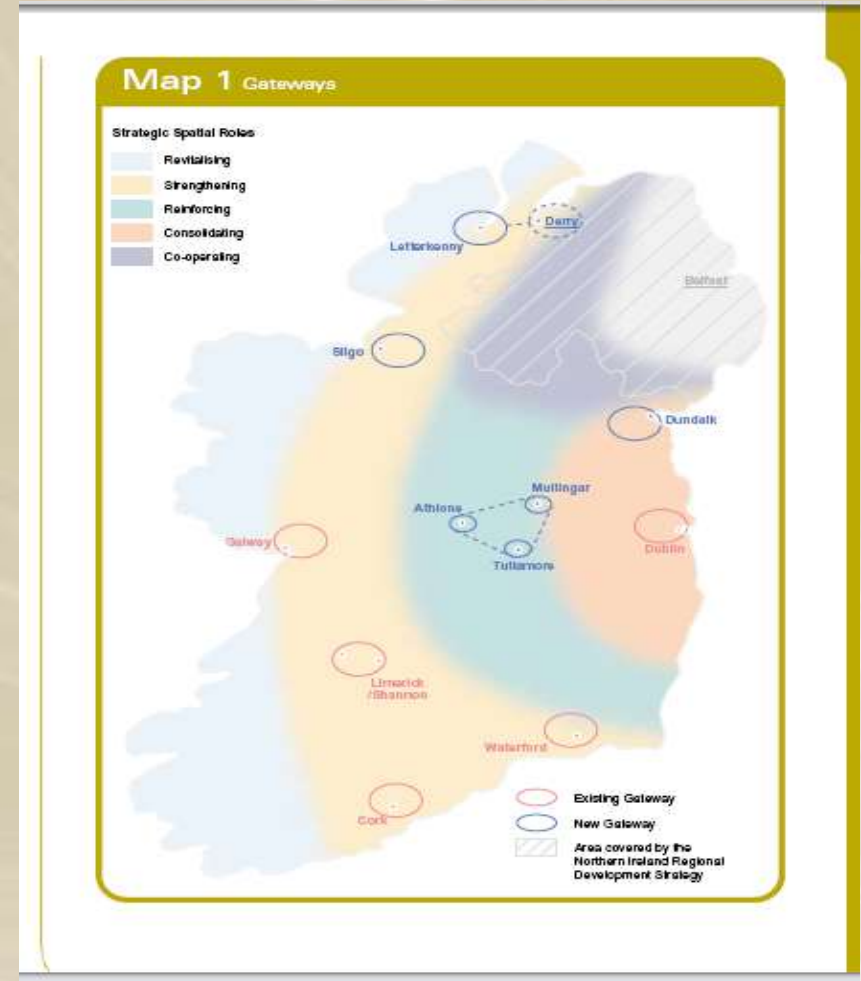
Developing an
attractive
environment

Enterprise
Development

National Spatial Strategy

Key Concepts

- ▶ Critical Mass
- ▶ Gateways
- ▶ Realising Potential

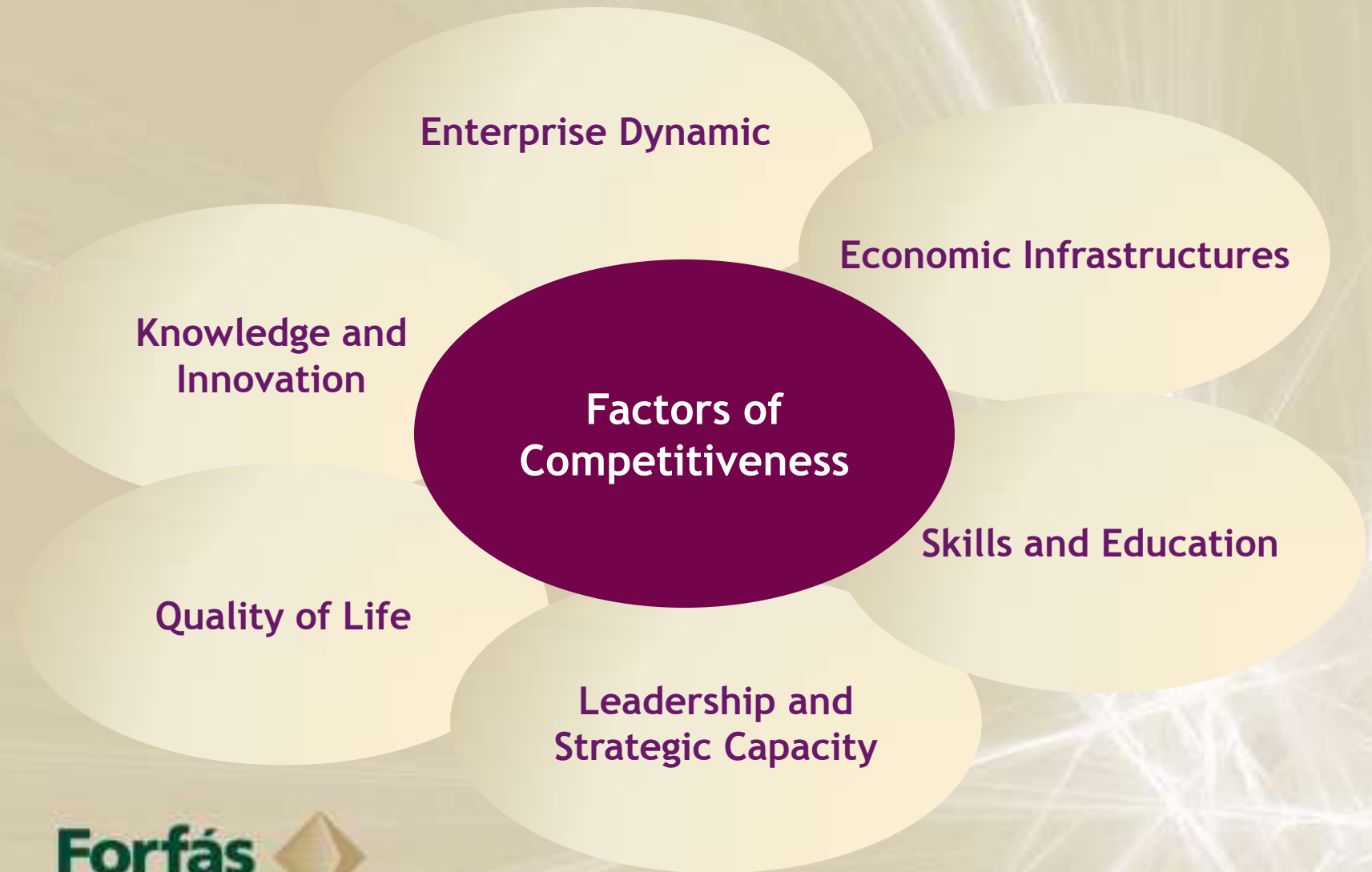


*Can we shift thinking from a focus on equalisation
to realising potential?*

*What needs to be done to ensure that the regions
continue to build
enter*

Regional Policy		
Centralised	⇒	Collective approach
Exogenous - subsidy based interventions	⇒	Endogenous Assets
Disadvantage	⇒	Opportunity

Competitiveness Factors



Regional Competitiveness Agendas (RCAs)

Volume I : Baseline Analysis

Volume II : Realising Potential



Border Region



Border Region: Baseline Analysis

Enterprise, Education, Innovation, Infrastructure, Quality of Life, Leadership...

Dramatic decline in manufacturing, high reliance on construction, public sector, retailing

x

Vulnerable

Growth in high value segments of ICT & Financial Services

✓

Future Potential

Agency employment dominated by indigenous sector; good performance on HPSUs

✓

Strong basis for growth

3 IoTs and proximity to HEIs in Northern Ireland

✓

Collaboration/Fragmented?

Under-represented in relation to higher educational attainment, out migration of younger cohorts

x

But improving situation on early school leaving

BERD & HERD very low

x

Border Region: Baseline Analysis

Enterprise, Education, Innovation, Infrastructure, Quality of Life, Leadership...

Unemployment relatively high
GVA growth but still lagging per capita



Employment decline in
construction, manufacturing,
retail...reskilling, productivity?

Road access improving



NI programmes important for
E-W connectivity (N16/A4)

Significant broadband infrastructure
development in Project Kelvin



Further extension important

Reinforcement of electricity grid
infrastructure required particularly in NW



Important for development of
renewables

Cross-regional diversity, 3 gateways, cross-
border dynamics, access to funding (peace
process)



Coherence or Fragmentation?
Significant governance
challenges

'Border' - name has negative connotations



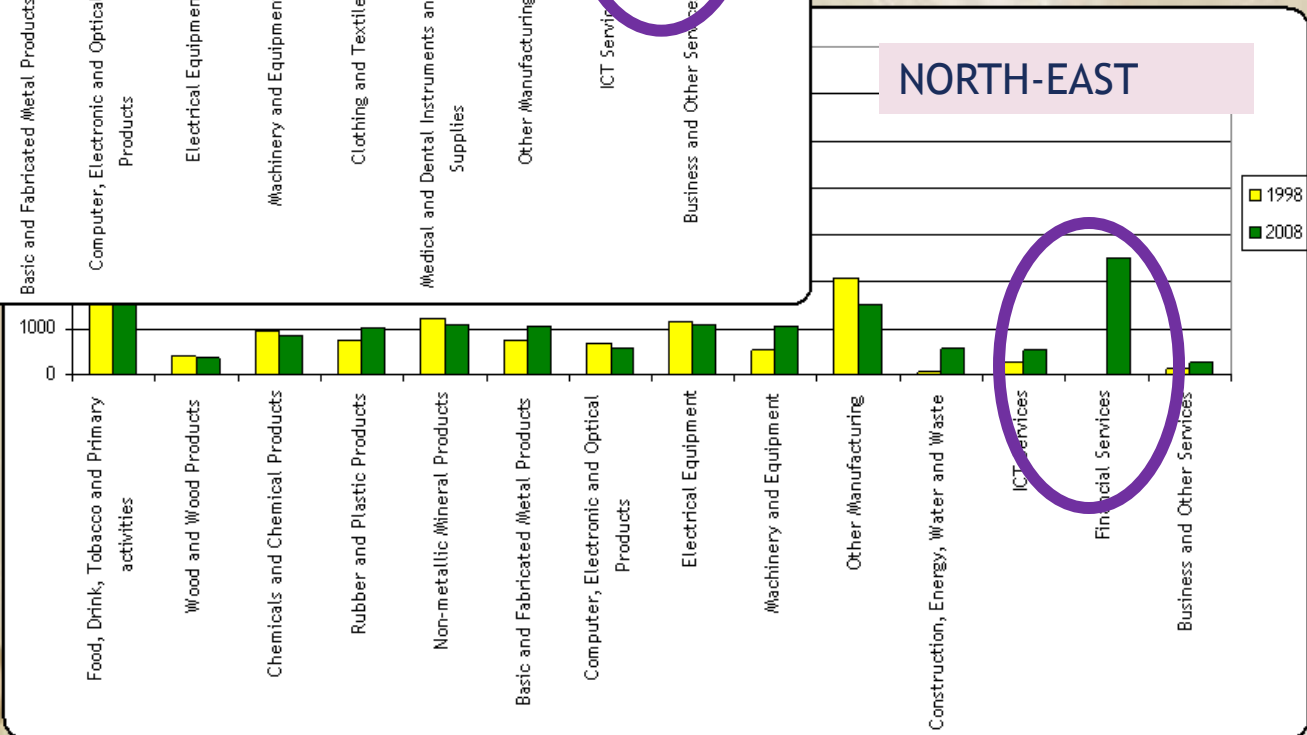
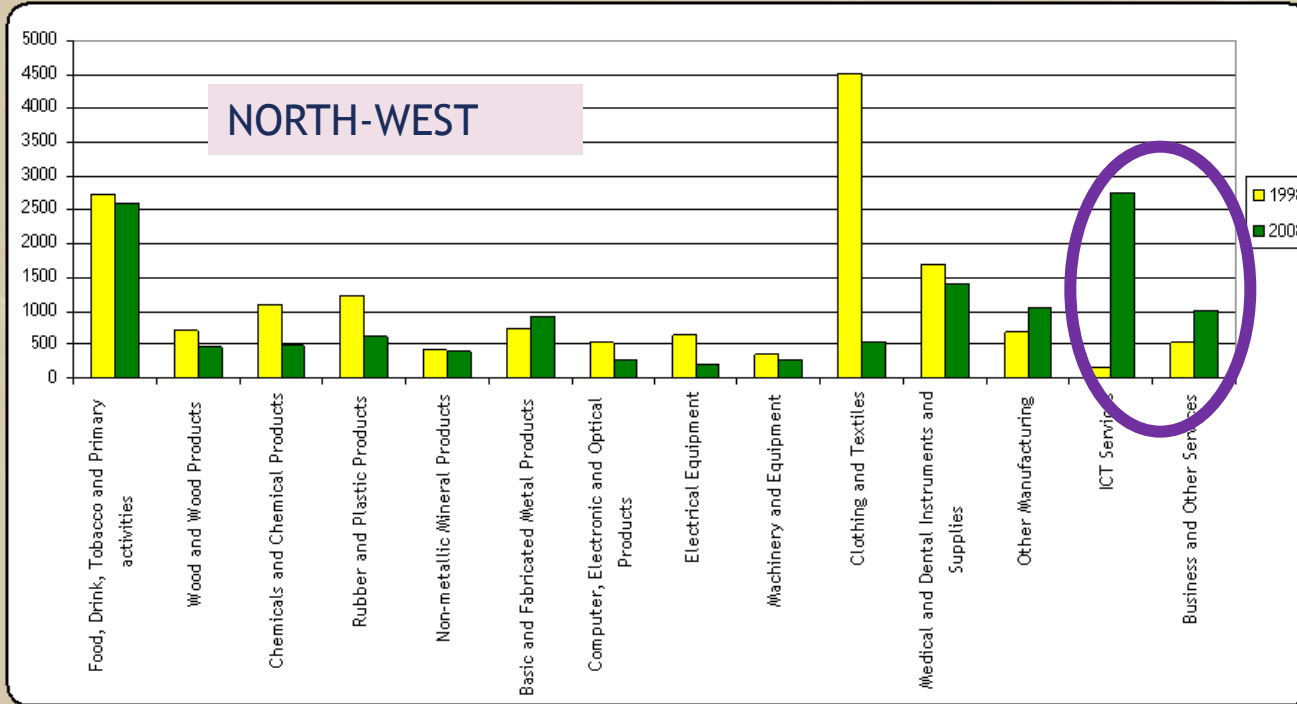
Name change?

Border Region: Future Focus RCA

▶ Sectors with potential:

- Internationally Traded Services (including Financial Services)
- Lifesciences
- Agri-Food
- Clean Technology - Renewable Energy & Environmental Services
- Tourism

International Services



Source: Forfás Annual Employment Survey

Lifesciences Assets



Border Region: Future Focus RCA

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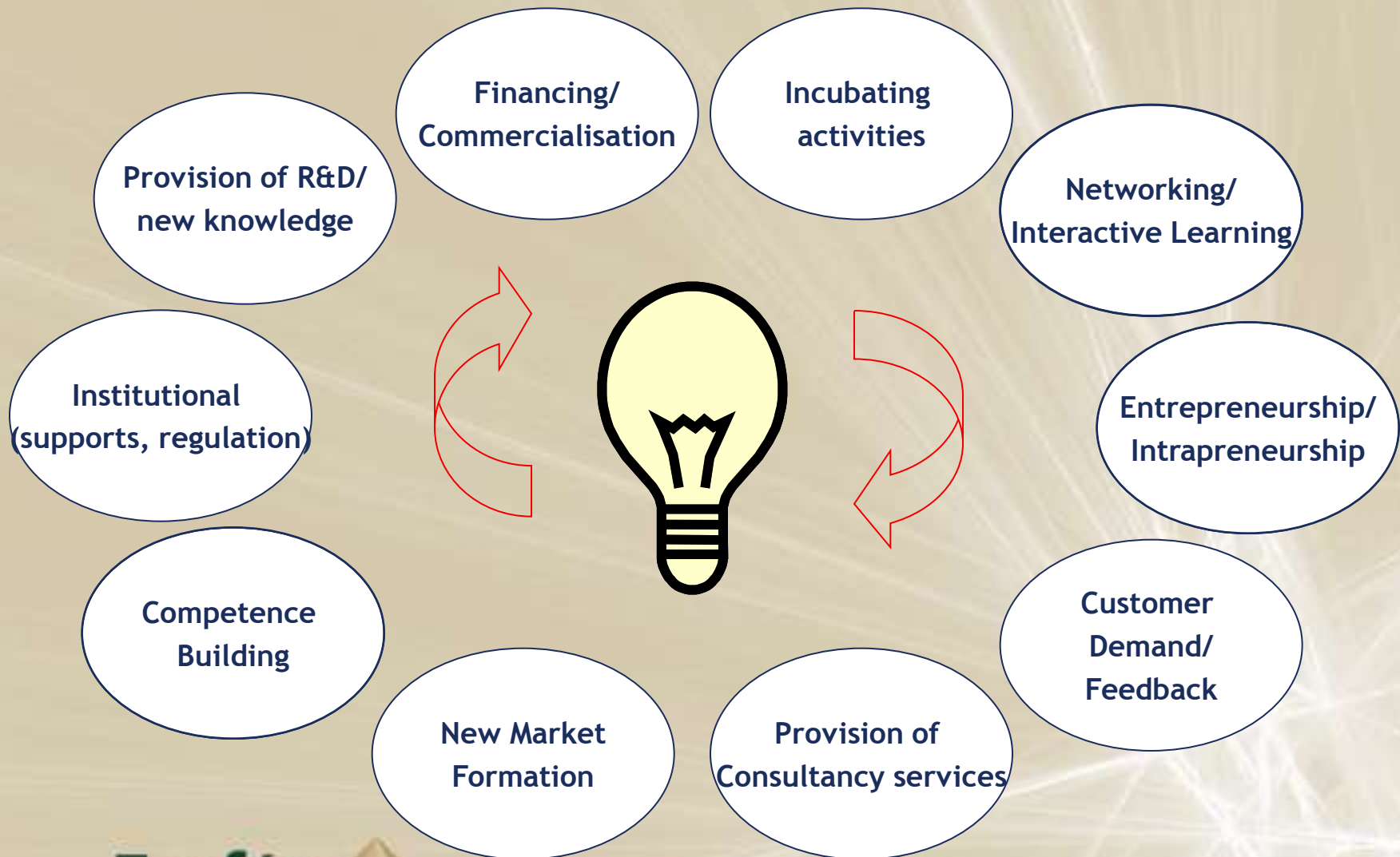
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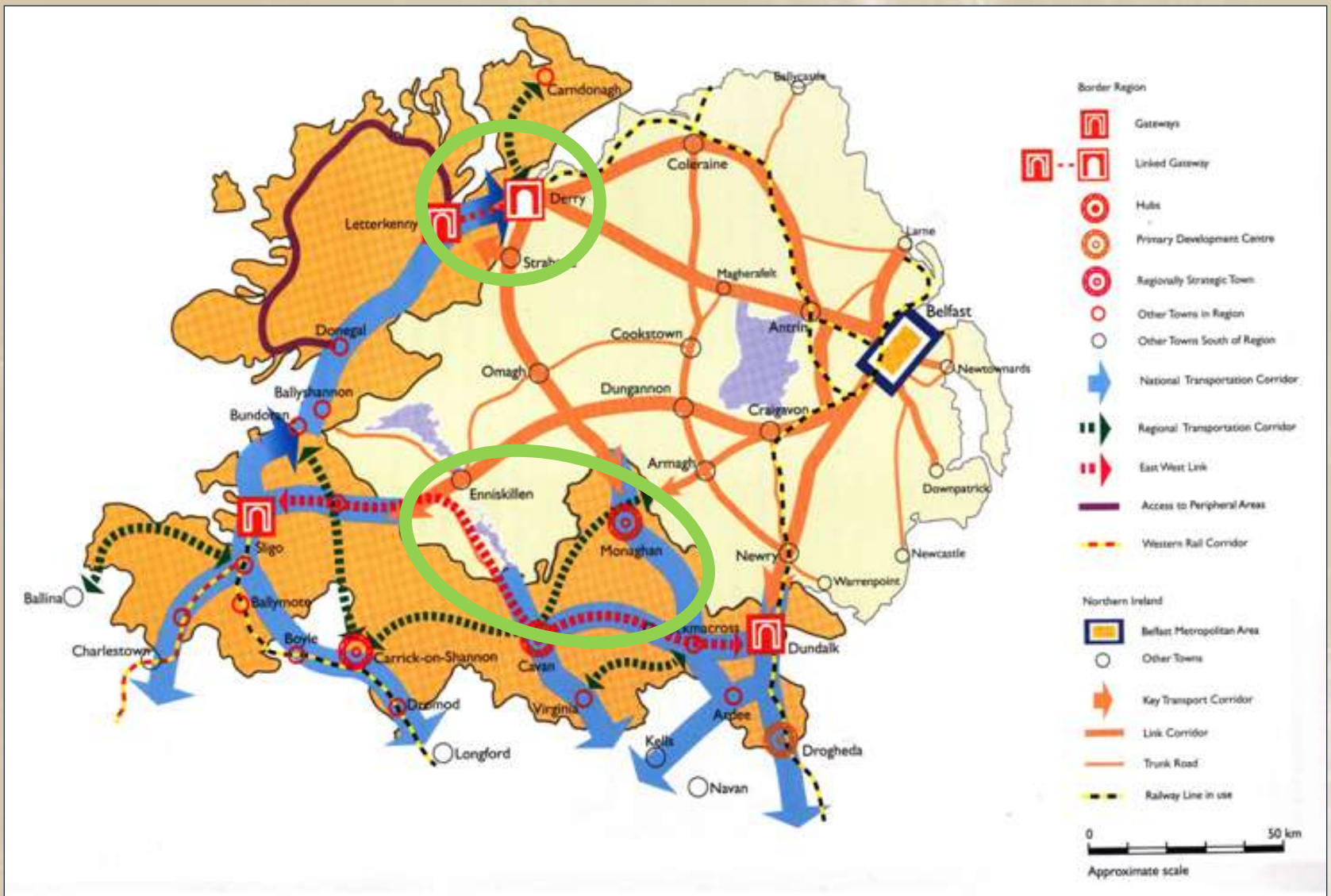
Border Region: Future Focus RCA

▶ Business environment:

- Supporting entrepreneurship
- Focus on Skills (Re-skilling)
- Maximising opportunities for innovation
- Connectivity Infrastructures
- Leadership/Governance

Innovation Activity - Many Sources/Drivers







The Newry-Dundalk Twin City Region



Bord Forbartha Chontae Dhún na nGall



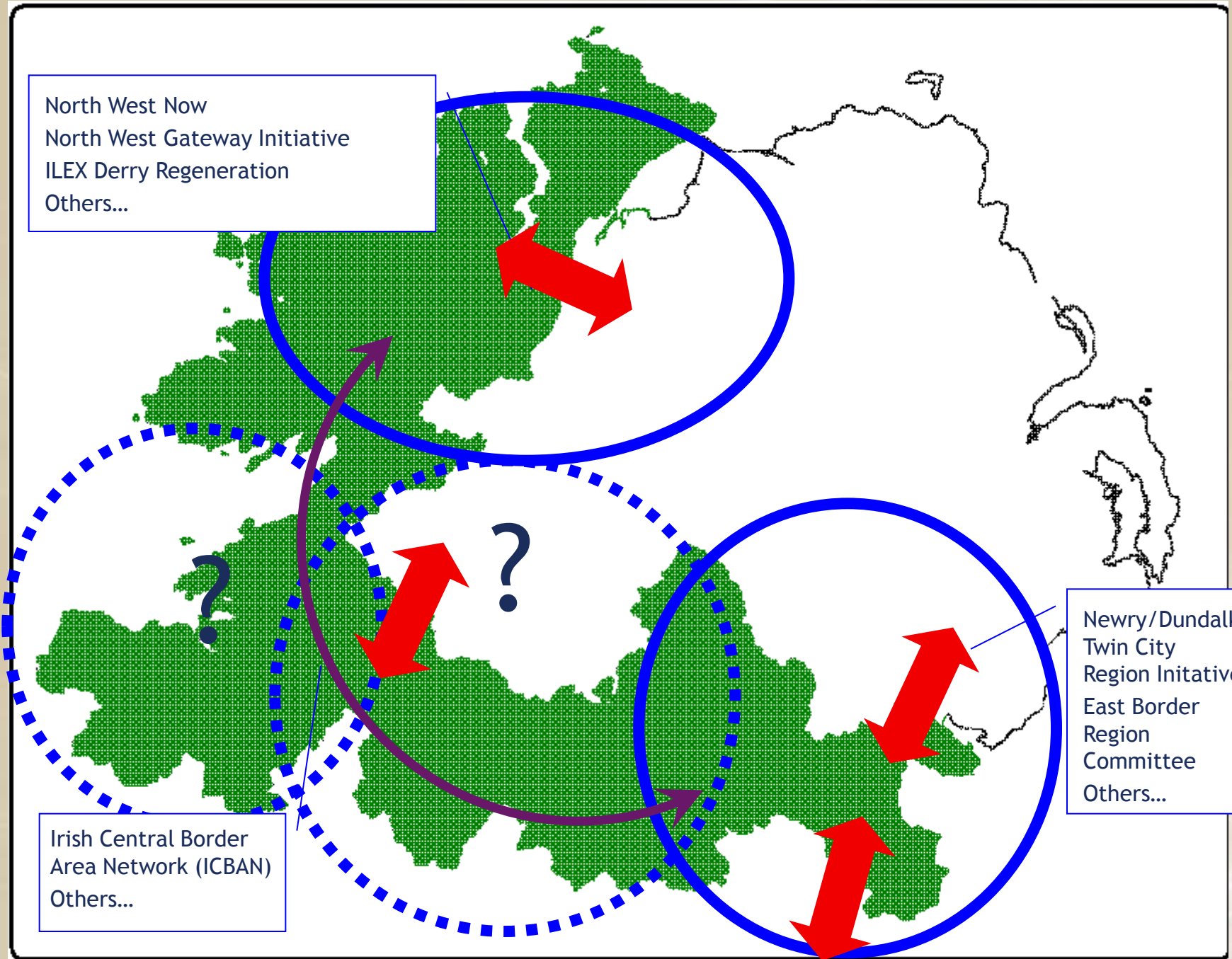
Tyrone Donegal Partnership

Armagh Monaghan Digital Corridor Initiative

North West Now
North West Gateway Initiative
ILEX Derry Regeneration
Others...

Newry/Dundalk
Twin City
Region Initiative
East Border
Region
Committee
Others...

Irish Central Border
Area Network (ICBAN)
Others...



Border Region: Future Focus RCA

► Priority Actions:

- Gateway focus - Regional Governance
- Innovation - broad based approach
- Agency collaboration - focus on sectors, entrepreneurship, productivity
- Infrastructures: Roads, Electricity, Broadband
- Up-skilling - Workforce Development Fora

Moving forward... (overarching findings)

Developing an attractive environment

- ▶ RPG Implementation mechanisms
- ▶ The 'right' structures to drive the development of gateways
- ▶ Broadband - THE infrastructure need

RPGs
DoEHLG

- ▶ The Role of the Development Agencies in driving the RCAs

Enterprise Development

RCAs
Agencies

