



ATLANTIC ECONOMIC CORRIDOR

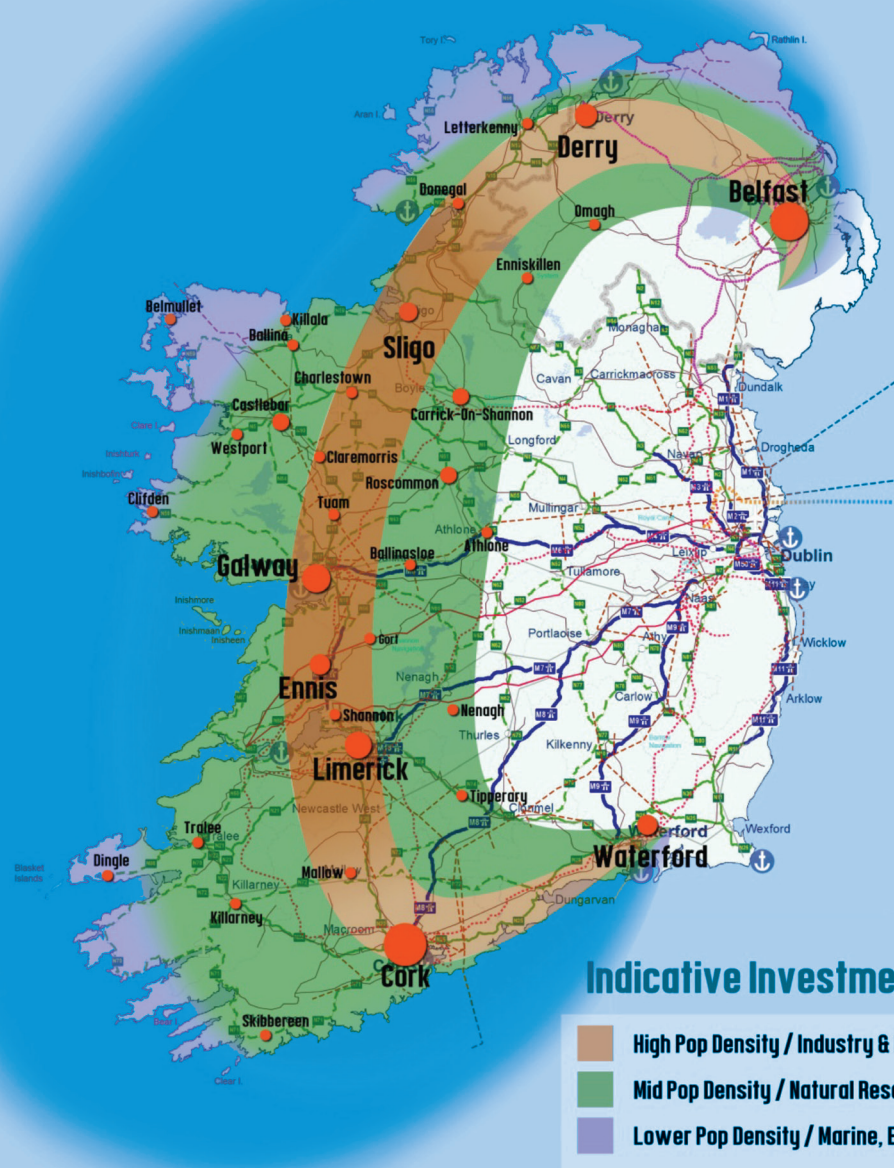
REGIONAL ECONOMIC STRATEGY

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Atlantic Economic Corridor



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ATLANTIC ECONOMIC CORRIDOR

New Thinking, New Method, New Measure for Regional Development

1. INTRODUCTION

The Atlantic Economic Corridor is an initiative of the Chambers of Commerce of Limerick, Shannon, Ennis, Galway, Roscommon, Mayo, Sligo, and the American Chamber of Commerce.

Collectively, we represent 73,500 employees, in 2,250 Irish-owned and multinational firms in the mid-west, west and north-west.

Our mission is an Atlantic Economic Corridor, with a 'city of scale' from Limerick through Galway to Sligo, to match Dublin and Cork in success in developing infrastructure, attracting Irish and multinational investment, and growing jobs and wealth in vibrant communities.

Our modus operandi is to get people, enterprises and communities pulling together in pursuit of common goals; and to change the conversation so that regional development is seen and recognised as integral to, and essential for, balanced national growth.

Our measure of success is Gross Value Added – closing the gap in the value of goods and services we produce, to rival the economic powerhouses of Dublin and Cork. This involves utilising our port, airport, road and rail infrastructure to their full potential; and tapping our know-how, research and innovation capability, as well as our natural and human resources for maximum productivity.

Our vision: To realise the hidden, untapped, present opportunity to bring jobs and investment, and to develop a 'city of scale', in the Atlantic Economic Corridor.

Our collective objectives are to:

- Actively pursue **balanced regional progress and balanced national development**.
- Strengthen **enterprise development** through alignment, collaboration and investment.
- Create a dynamic 'city' effect of scale through an Economic Corridor.
- Enhance the **technology, research, skill capacity and reputation** of the region.
- Seek the **infrastructure investment** necessary to support this growth.
- Promote a **modern rural development** based on rich natural resources and human capacity.
- Identify and actively promote **areas of competitive advantage**.
- Promote **social cohesion and equality** to maximise contribution and citizenship.

2. A NEW MODEL FOR ECONOMIC GROWTH

The Atlantic Economic Corridor is a new paradigm for developing the western half of Ireland that takes into account the particular challenge that 70% of the population is rural, which is the reverse of the national pattern.

The potential to create enterprise from abundant natural resources and available know-how is endless. The proposition for inward Irish and multinational investment is also positive. Despite infrastructure deficits, the regions, especially the larger urban areas, are attractive for employers seeking to employ a well-skilled, stable workforce.

Unlocking the latent, untapped, hugely valuable potential of the West is the clear agenda of the AEC. The shared view of our 73,500 voices is that this requires a new model for economic growth that:

- Is regionally focused;
- Has the engagement and support of business;
- Is supported by Government and agencies of the state; and
- Is led by the cities, towns and communities of the region.

2.1 Upskilling a Dynamic Workforce

The AEC believes that the western regions must be hard-wired for competing with large global cities. While their population has not increased in line with national growth, they have capacity to grow, based on a reversal of current migration.

Mobile investment has long identified the availability of a talented workforce as a pre-requisite in the competition for investment. However, recent studies and analysis by FDI companies suggest that Ireland's position is weakening.

Opportunity #1: Positioning a well-qualified, skilled, dynamic workforce is an urgent requirement.

AEC Response: Build on effective engagement between business and industry and the Universities and Institutes of Technology, with support from the Enterprise Training Boards, SOLAS and active communities to create a new dynamic pathway to and within work. Specific interventions supported by HEIs have caused new FDI to locate in targeted locations. This practice of directly targeting and preparing a new workforce is central to the new model for economic growth and can be broadly applied to the wider base of enterprise.

This requires a new model for preparing people for work, including new entrants to the labour market and people in or out of the workforce who need new skills for future jobs. The current capacity in the Western regions to educate and train young people at the third and fourth level is far greater than the job opportunities available, forcing up to 90% to migrate out of the region, or emigrate. At the same time, some sectors are experiencing difficulty employing new people. Some gaps emerge in academic course provision and a general drop-off in apprenticeship programmes but the most significant deficit is in the availability of graduates with relevant work

2.2 Investing in Infrastructure

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- Highly leverage Infrastructure / Assets
- New investment and scale is critical
- Agree/align for best use of assets
- Align/focus on economic purpose
- Align innovation to Clusters/Sectors
- Focus on private and social enterprise
- Use Public-Private Partnership

AEC Response: The region has an abundance of natural resources which can fuel future economic development. Formulate a clear strategy and implementation plan so as to utilise, develop and deliver appropriate and sustainable infrastructural solutions. Co-ordinate the implementation of infrastructure by the public and private sectors so as to respond to resource availability and unlock the economic potential of the region.

The two international airports (Shannon, Knock) and three significant ports (Shannon Foynes, Galway, Killybegs) in the region are a significant advantage. The development of the ports, airports, and the road/rail network has a national and EU importance as it is the primary infrastructure to support the development of the Marine Atlantic.

Growth in the region and population growth in its larger urban areas are now constrained by utilities including water and waste water management and treatment. The current planning for such utilities is national and is now based on low population growth as the young population emigrates or migrates eastwards. This is flawed and as a consequence the system plans are based on a de-fault low-population growth scenario in the west. The inevitable consequence of the de-fault scenario is a failure to provide for growth and as a result there is no growth. This flawed system must change and will only do so on the back of a unified ambitious regional plan, where regional development is integral to, and essential for, balanced national development.

The AEC believes that in the near term it is necessary to:

- Align all infrastructure and utility planning and investment to economic investment and growth.
- Identify a regional corridor where targeted investment can be focused and can serve the needs of the entire region from an access, power and communication perspective. This includes both the outlying coastal areas on one side and the Shannon waterway and basin on the other.
- Ensure that investment in infrastructure in the region meets multiple needs. For example critical coastal defenses should be planned to include upgrades to access and transport, provide infrastructure for coastal and rural communication and include tourism-critical amenities.
- Ensure that investment in power and gas infrastructure includes new exclusive planning zones for enterprise and industry in preparation for a build-out of energy-driven investments, including large data processing centres, bio-pharma plants and silicon- or nano-based high-value processing.

The development of the service economy within the region is absolutely dependent on the communications infrastructure. Combining lifestyle choice and distributed e-working as a strategy for increasing rural and coastal population to strengthen communities, is an easy investment to support and is dependent on a state-of-the-art broadband rural and coastal high-speed network. This network is also necessary for the development of the national Marine Plan which is the most significant potential development of natural resource after agri-food and capable of contributing in equal measure. In the same way as agri-food is dependent on strong and vibrant farming communities, the future development of the marine economy is dependent on strong and vibrant coastal communities. Maintaining and growing those communities and ensuring their sustained future is a key priority for the region, Ireland and the EU.

2.3 Utilising Assets and Growing Capacity

The AEC believes that the region must have a planned urban and inter-urban zoned industrial and enterprise capacity. Some of this capacity exists in the form of private and IDA-owned parks, with smaller investment centred in smaller enterprise and incubation hubs. Currently, this is the biggest constraint to attracting inward investment to the region.

Opportunity #3: There is an opportunity for the immediate creation and re-purposing of new and existing enterprise property capacity to service current and future demand.

AEC Response: This is a complex challenge as many of the facilities are in private

ownership and it is difficult to agree a formula to invest. In addition, different solutions are needed for different segments and the time available between supply of, and demand for, facilities is short. The positive effect of re-purposing would be increased employment but it would also serve to regenerate existing towns, town centres and areas that have sufficient utilities, transport and access.

There is and will continue to be a requirement for the extension of parks and the development of new parks. The primary consideration in this development will be certainty with respect to planning, the timely provision of access and utilities, and a need to build a pipeline of potential clients. Consideration must be given to current challenges and trends so that the regional response is itself innovative and effective.

The re-purposing of existing property solutions within towns and industrial parks provides an opportunity to capitalize on existing infrastructure. The re-use of existing state or private property for new enterprise will serve to re-generate urban areas, with opportunities to localize work and reduce the traffic congestion.

There is a need to have an integrated long-term planning process that is innovative, regionally based, to support the development of this national economic capacity.

2.4 Developing an Innovation Foundry

The need to substantially increase and accelerate a new pipeline of start-up and new enterprise requires the development of “foundry” capacity through a network of innovation and incubation facilities that are supported by effective Technology Transfer gateways, linked to the research community. The creation of such a network and its sustained financing is a priority for the AEC. It will engage with agencies of the state, local government and communities to develop this as a unified regionally identifiable infrastructure. It will innovatively explore and work with financial institutions, including credit unions, banks and private investors, to ensure that this investment will fuel an accelerated and sustainable growth within urban and rural areas.

International economic survival of all corporations is driven by the challenge of ‘Innovate or Die’. This challenge provides an opportunity for the western region to build its new economic base on the back of innovation, new ideas and an investment in research and design. The eco-system to enable this fusion of a global need with a regional capability and capacity requires an integrated innovation network that includes incubation facilities, technology transfer offices, enterprise accelerators and growth-support mechanisms.

The AEC believes that this can be best achieved within the region by the formation and development of a Regional Innovation Network that is comprised of best-in-class examples of such support structures that already exist.

Opportunity #4: The future economy will be innovation-led and this region must be prepared to respond and participate in the new research and innovation opportunities as they come on stream in either the public and/or private system.

AEC Response: In leveraging the rich examples of Innovation Hubs, Incubators, Accelerators and Technology Hubs the AEC will develop an integrated network. This capacity instrument will enable activity and clusters to take shape and scale. This network partnership approach will open up the flow of people, the flow of finance and the flow of knowledge, across geographical place. This agile eco-system is critical in supporting a new economic attitude in balanced national development.

The creation of an integrated innovation network will allow individuals, communities, researchers and small companies to respond, to innovate and create new enterprise in pursuit of existing and emerging sectors. This innovation network must actively link to existing clusters and companies, enabling access to new ideas, markets and technology. The Foundry will also enable communities to engage and support local start-ups and enterprise that can transform and re-generate local socio-economic growth. Such engagement can enable social not-for-profit enterprise, specifically in sectors like tourism, health and artisan food production, providing new, cost effective innovative services and products. This innovation led eco-system and enterprise foundry will support social inclusion by integrating people who are marginalized, are challenged by a disability, who otherwise would migrate or emigrate from Ireland, into the fabric of our society and our working communities.

2.5 Securing Active Community Engagement

The development of community-based care, tourism, education, hospitality, and other services on the basis of a co-operative social enterprise model will provide new job opportunities and support much needed employment flexibility, including part-time working. The development of the agri-food and tourism sectors will benefit from community-based support including the part financing of new services and products. This will encourage new owners to benefit from flexible local labour, access to community buildings and assets, and support through micro investment or financing from local Credit Unions.

The development by communities and towns of their own economic and social plan, within the context of a county or regional plan, will inform and create new perspectives and raise ambition. Such plans should aspire to a socio-economic ambition that is specific to that community. It should seek to attract jobs and enterprise, investment in education and amenities that will attract new families, and a scale of change that allows for the growth to be absorbed easily and key community objectives met.

Opportunity #5: The direct engagement of communities in the creation of jobs by supporting social enterprise and promoting a quality lifestyle to new people joining those communities would be a differentiator of the new economic model.

AEC Response: Creating innovative ways to absorb young people with young families would support the scaling of the population ensuring that integration into society was successful and adds to the strength, diversity, and age profile of each community.

The active participation of each community in a “bottom up” regional planning process is an absolute requirement for a vibrant future economy - empowering people to make decisions about their future and allowing them to contribute and benefit from that contribution. This requirement was underlined by President Michael D. Higgins when he launched his report on the ethical society and public realm in February 2016. The Swiss Canton model should be considered in this regard and current attempts to proactively support the creation of community plans using social media and other technology should be fully encouraged and supported.

3. AEC PARTNERSHIP AND ECONOMIC FORUM

The AEC understands that the development of a long-term regional strategic plan will take time to co-create and experience a new form of effective inclusive planning. It will however progress a shared agenda with communities and public organisations and work towards a pilot economic planning forum for the region inclusive of local government and agencies of the state supporting enterprise and jobs. It will also seek out immediate opportunities to work with other stakeholders using existing national and EU programmes to advance the near-term goal of accelerating job growth. Such initiatives will inform and build consensus, and will immediately influence the five critical elements of economic growth namely:

- The development of a profile requirement for critical skills
- Investment in and re-purposing of infrastructure and existing assets
- The renewal and upgrade of industrial and business parks
- The creation of an Innovation Network or Foundry
- The direct engagement of communities in economic development

The AEC believes that:

- Leadership is needed, which must be inclusive, strategic and ambitious, and capable of creating a new vision and long-term plan for the western region.
- The negative economic trends, including the migration of brain power from the region, must be tackled through the creation of jobs.
- The region must be seen as a strategically significant contributor to the national and European economies.
- Benchmarking should be based on Gross Added Value per person.

The AEC understands that the economic development of the western regions of Ireland will only be achieved through the co-creation of a long-term economic development strategy demanding the following:

- A change to an inclusive and collaborative behaviour, from all relevant parties, both public and private, absorbing the entire talent, expertise, commitment and resources of business, community and the public organisations tasked to lead and support economic development.
- A change in public organisation culture where all decision making is open, informed and enabled by those that drive economic development and the growth of employment.
- A change in national strategy and thinking such that the allocation of investment and resources are based on longer-term economic opportunity.

CONTACTS

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The AEC is led by an executive team from each Chamber of Commerce including, Presidents, Officers, Directors and Staff. It enjoys the direct support of the American Chamber of Commerce within the region with whom it shares membership, and the Higher Education Institutes with whom it works. It is currently engaging with Local Government and Regional Public organisations. The AEC is a collaboration of the business community with the specific objective of increasing the economic strength of the Atlantic Corridor. The AEC subscribes to an agreed Charter which has been signed by the participating Chambers.

