



# Dublin Belfast Economic Corridor

Partnership Strategy

2022

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# Executive Summary



# Vision and ambition

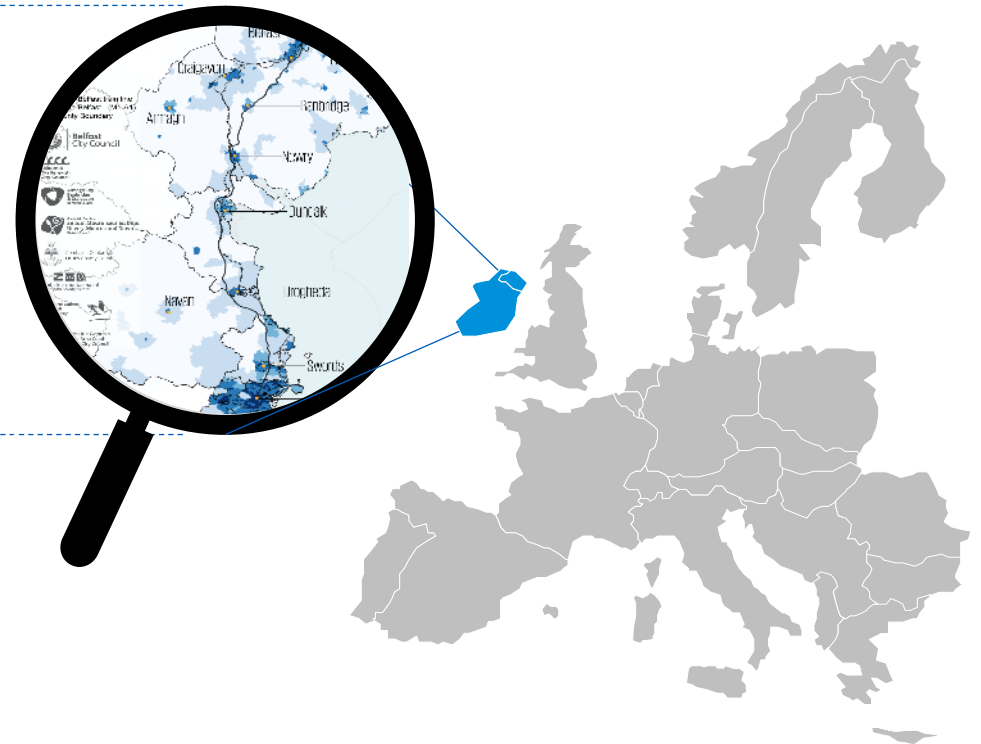
Best practice amongst economic development entities includes setting a clear ambition and pathways through which this can be realised.



**Ambition:** To become a leading economic corridor in Europe, achieving sustainable growth through collaborative R&D, a highly skilled workforce and enabling infrastructure



**What we want to be world renowned for:**  
A major international centre in growth sectors like Professional Services, Advanced Manufacturing, ICT, Life Sciences and Advanced Agriculture









# Strategic objectives

DBEC can fill a gap in the current ecosystem to deliver on core strategic objectives.

Key NI and RoI players providing economic funding and programme delivery





## DBEC strategic objectives:

 <p>Increase <b>skills and training</b> to meet the labour requirements of the region, building on and expanding the existing workforce</p>	 <p>Align with and support economic development partners to increase <b>trade and investment</b> along corridor</p>
 <p>Enhance cross-border collaboration in <b>R&amp;D and Innovation</b>, targeting investment in high growth sectors and the green economy</p>	 <p>Promote <b>sustainable and climate-conscious growth</b> along the corridor, aligned with councils' development plans and wider policy objectives</p>
 <p>Advocate for <b>cross-border infrastructure</b> to strengthen connectivity and access to markets and labour</p>	 <p>Market the region and elevate the DBEC brand so that the region becomes <b>globally renowned</b> as an attractive place to live and do business</p>

# Background context

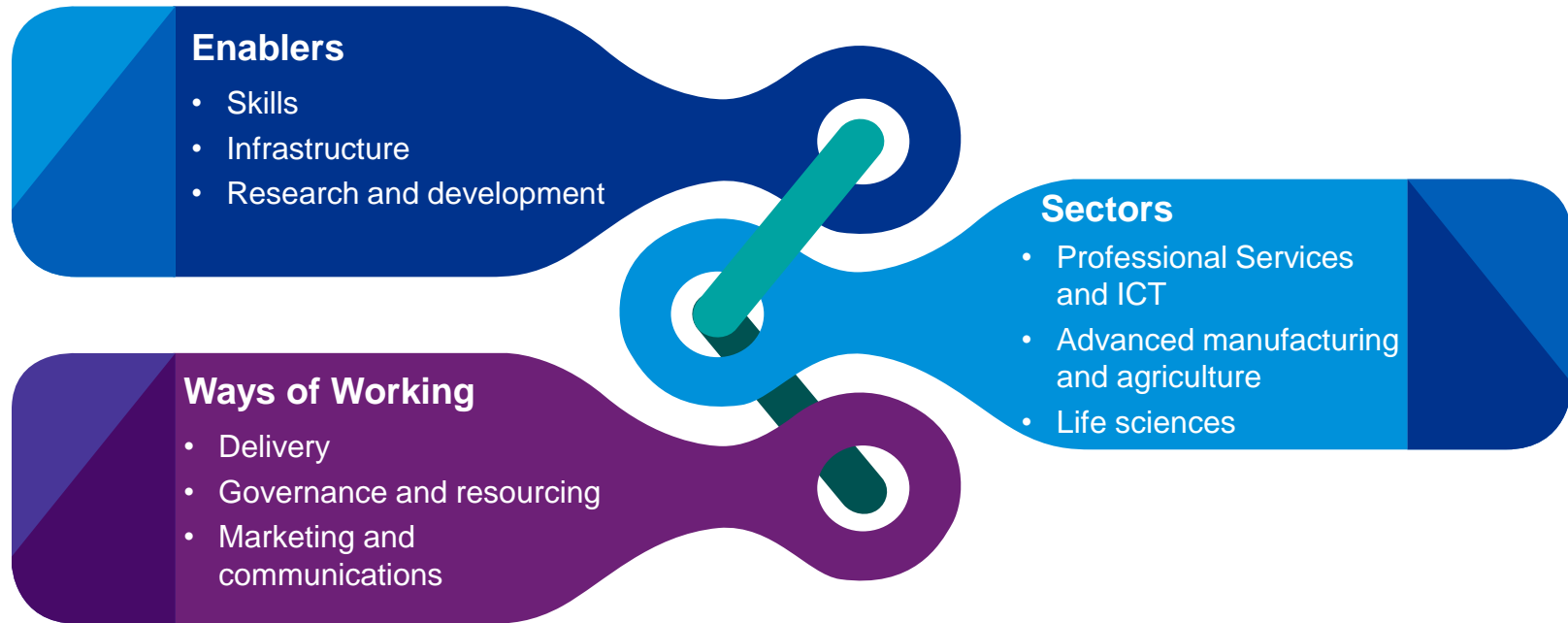
## DBEC will need flexibility in aligning with economic conditions and policy landscape.

Theme	Key findings
<p><b>Economic and Social Context</b></p> 	<ul style="list-style-type: none"> <li>As of 2022, <b>key challenges facing the economy</b> on the Island of Ireland include high inflation, rising interest rates, and challenges meeting housing needs for current and potential residents. However, economic growth along the corridor is forecast to remain strong, growing by ~5% in 2022 and ~3% annually by 2030. In this context, there is potential for additional growth of the corridor’s economy</li> <li>The corridor is home to a <b>diverse range of business sectors</b>, with business density highest in DCC, MCC and LCC (each hosting close to 500 businesses per 10,000 residents). The services sector accounts for 75% of the corridor’s workforce, and professional, scientific and technical services remain key growth areas for the corridor. The corridor’s high working age population (67%) and high volumes of cross-border trade (€7.65bn / £6.50bn of trade in goods occurred between NI and RoI in 2021) make the corridor an attractive place for indigenous and foreign investment</li> <li><b>Changing work patterns</b> arising from the pandemic are increasing demand for more remote working hubs and may drive opportunities for towns and villages across the region. Relatively higher levels of housing affordability in the core corridor area – compared to Dublin and Belfast – can increase the relative competitiveness of the region nationally and internationally</li> </ul>
<p><b>Policy Alignment</b></p> 	<ul style="list-style-type: none"> <li>Consistent themes in <b>councils’ development plans</b> include housing, environment and employment. There is an opportunity for DBEC to coordinate engagement on thematic priorities on council and regional levels, through workshops, information-sharing, and cross-border research</li> <li>The <b>enablers and strategic priorities identified for DBEC</b> in this report align with national and regional policy priorities (i.e. skills, infrastructure and R&amp;D are key to the Investment Strategy for NI 2050 and the Eastern &amp; Midland RSES)</li> <li>There are <b>opportunities for DBEC to secure funding</b> for cross-border projects through the PEACE PLUS Programme and the Shared Island initiative (including applications via the Irish Research Council for relevant projects). Funding from UK and RoI governments, the EU and private sector investment will enable delivery of DBEC’s objectives and overall vision</li> </ul>

		Key Themes			
		Infra.	R&D	Services	Skills & Employment
National and regional policy	NI Economy 2030 2018 - 2030	✓	✓	✓	✓
	Investment Strategy for NI 2050 (2022 -2040)	✓	✓		✓
	10X Economy		✓		✓
	New Decade New Approach (2020 -2030)	✓		✓	✓
	RDS 2035	✓		✓	
RoI	Eastern & Midland RSES (2019-2031)	✓		✓	✓
	EI Powering the Regions		✓		✓
	Project Ireland 2040 - NPF & NDP (2010-40)	✓		✓	

# Enablers, sectors and ways of working

Key enablers and sectors will drive growth, underpinned by effective ways of working.






In developing this Strategy, research has identified three **enablers** which will underpin future growth: skills, infrastructure, and research and development (R&D). Focussing on improving these enablers will support economic growth of the whole corridor. Within the corridor, some **sectors** are already strong and have been identified as key focus areas for skills development, infrastructure investment, and research and development. Finally, the DBEC partnership will need to work effectively in order to achieve its ambition. Success in these three **ways of working** will enhance delivery of actions undertaken. This sets the structure for this Strategy.






# Enablers

## DBEC's core focus for enabling growth is based on improving skills, infrastructure and R&D.

Theme	Key findings
<p data-bbox="120 382 203 411"><b>Skills</b></p> 	<ul style="list-style-type: none"> <li data-bbox="368 382 1929 475">▪ The DBEC region is <b>highly skilled in relative terms</b> on the island and internationally, with 89% of the population holding a qualification and 39% having a qualification above NVQ4. The region's multiple HEIs and Institutes of Technology, training over 114,000 students, generate a pipeline of talent for the region's economy, but retention remains an issue in some geographic areas</li> <li data-bbox="368 486 1918 579">▪ <b>Gaps in key skills</b> are acting as a drag on overall economic growth, in particular in hospitality, construction, and ICT. There is an opportunity for a single entity to contribute to addressing these skill gaps and aligning stakeholders along the corridor around existing policy and targets (e.g. 10X Economy, Belfast Region City Deal, Skills Strategy for NI, Regional Skills Plans)</li> <li data-bbox="368 591 1929 684">▪ DBEC can fill a gap as the <b>lead skills coordinator</b> for the corridor, in particular in re-/up-skilling (e.g. in high demand sectors) and aligned with national and regional policy priorities. DBEC can coordinate research, lead marketing, and engage with partners on approaches to improve graduate retention</li> </ul>
<p data-bbox="120 706 317 735"><b>Infrastructure</b></p> 	<ul style="list-style-type: none"> <li data-bbox="368 706 1949 829">▪ The corridor is <b>well-connected</b> domestically and internationally, but its spread is narrow and there have been few cross-border infrastructure projects to integrate the corridor's width. Investment in infrastructure is a priority with £1.6bn p.a. earmarked under the NI Investment Strategy, while the Irish government will invest a total of €165bn in infrastructure over the period 2021-30 as part of its National Development Plan. It is uncertain the quantum allocated for projects specifically in the corridor's geography</li> <li data-bbox="368 841 1949 1001">▪ There is an opportunity for DBEC to <b>advocate for cross-border infrastructure and to develop initial business cases</b>, and to lobby relevant stakeholders to prioritise investment in infrastructure. DBEC can undertake gap analysis of required export-enabling infrastructure needed to support players with high growth potential in high-tech sectors, infrastructure needed to support growth and opportunities for renewable energy projects, such as the proposal relating to €2bn Bremore Ireland Port. DBEC's infrastructure work should be aligned with its key priority sectors and aligned with those of partners and stakeholders</li> </ul>
<p data-bbox="120 1021 317 1086"><b>Research and Development</b></p> 	<ul style="list-style-type: none"> <li data-bbox="368 1021 1929 1143">▪ Academic and industry research is clear that <b>agglomeration benefits arise from R&amp;D spend</b> in specific geographic areas and there is some evidence of spillovers along the corridor, in particular near Dublin. The existing level of spend on R&amp;D in the corridor (€2.3bn/£1.9bn; 45% of the total on the island) compares favourably to NI, RoI, and UK totals when adjusted for population, but at the same time an uplift of 164% to total spend is required for the corridor to compete with peer countries such as Austria</li> <li data-bbox="368 1155 1949 1278">▪ There is a gap in the corridor's ecosystem for an entity to work with the R&amp;D community, local authorities, and other public agencies to secure higher levels of FDI across the region (e.g. life sciences, advanced manufacturing, ICT). <b>A significant opportunity exists for DBEC to be the voice for R&amp;D investment along the corridor</b>, highlighting particular sector clusters and collaborative opportunities through hosting events, liaising with the IDA/INI, and engaging with SFI and EU bodies re R&amp;D funding opportunities</li> </ul>




# Sectors

## Existing strengths in high growth sectors can bolster the corridor's economy.

Theme	Recommended Actions
<p data-bbox="136 382 319 476"><b>Professional Services and ICT</b></p> 	<ul style="list-style-type: none"> <li data-bbox="368 382 1937 476">▪ Professional services (including financial services) and ICT <b>accounts for ~220,000 (20%) jobs</b> along the corridor and 45% of all professional services jobs on the island of Ireland. The significance of this footprint and recent strong growth in employment (+17% over the period 2017-2020) highlight the importance and potential of further expansion in the sector</li> <li data-bbox="368 486 1908 544">▪ <b>Growing demand internationally for professional services</b>, as well as evidence from comparator corridors that the sector is a high priority in those locations (e.g. GPEC, Greater Copenhagen), highlights the potential of growth of the sector to the corridor</li> <li data-bbox="368 554 1937 648">▪ Against this backdrop, there is an opportunity for DBEC to contribute to further growth through <b>skills development coordination</b> with stakeholders (e.g. Skillnet, FinTech Corridor, Labour Market Partnerships) and to work with partners to explore the potential to grow additional cluster networks in high growth sub-sectors, such as cyber security</li> </ul>
<p data-bbox="126 668 329 805"><b>Advanced manufacturing and agriculture</b></p> 	<ul style="list-style-type: none"> <li data-bbox="368 668 1929 796">▪ The manufacturing and the agriculture sector account for <b>103,000 jobs along the corridor</b> (10% of total). The sectors' footprints stretch from the city centres to rural hinterlands and both sectors offer opportunities for further innovation, investment, and jobs growth. Strong agri-food clusters are located in L&amp;CCC, ABC and LCC, with MCC and NMD having a strong agricultural presence. Advanced engineering/aviation clusters are located in BCC, L&amp;CCC, ABC and FCC can be further developed to encourage growth</li> <li data-bbox="368 806 1887 863">▪ Advanced manufacturing is a key area of focus, in particular for <b>NI councils which are part of the Belfast City Deal and Mid South West Growth Deal</b></li> <li data-bbox="368 873 1846 968">▪ There is an opportunity for <b>DBEC to take practises from other international economic corridors</b> such as promoting the manufacturing sector through undertaking operating cost comparisons with other regions, hosting events showcasing new technology advances and advocating for infrastructure improvements to improve logistical efficiencies</li> </ul>
<p data-bbox="136 988 319 1019"><b>Life sciences</b></p> 	<ul style="list-style-type: none"> <li data-bbox="368 988 1929 1082">▪ The corridor is home to a wide range of businesses operating in the life sciences sector, with <b>employment in the range 8,000-10,000</b>. These world-class biotech, pharmaceutical and MedTech companies provide well paid employment opportunities to highly skilled workers and generate economic spillovers indirectly across their supply chain</li> <li data-bbox="368 1092 1943 1220">▪ FDI has resulted in a <b>strong cluster of life science companies in some geographic areas</b> (e.g. DCC, LCC, BCC), with high levels of collaboration with HEIs evident. However, there are some gaps in collaboration on a cross-border basis, and there is an opportunity for an entity such as DBEC to coordinate collaboration efforts through its skills and R&amp;D workstreams, events, research, and advocacy, together with key partners (SFI, UU, DCU, DKIT, QUB and key private sectors companies)</li> <li data-bbox="368 1230 1918 1288">▪ DBEC can <b>encourage the expansion of these clusters</b> at a cross-border level through skills collaboration and being a voice for R&amp;D investment along the corridor</li> </ul>




# Ways of working

## Three core pillars will support the partnership to work effectively.

Theme	Summary
<p data-bbox="171 379 277 405">Delivery</p> 	<ul style="list-style-type: none"> <li>▪ In the context of the key enablers (skills, infrastructure and R&amp;D), there is an opportunity for DBEC to become the corridor’s <b>flagship economic “think-and-do tank”</b> and align stakeholders along the <b>corridor-specific economic growth initiatives</b>. The partnership can use its independent voice to play a vital role in driving high economic growth and improving overall competitiveness along the corridor, through the publication of independent reports on topics relevant to the key enablers</li> <li>▪ There are clear learnings for DBEC from the activities of <b>comparator corridors</b> (e.g. GPEC, Research Triangle Partnership and Greater Copenhagen), including the potential to implement a collaboration agreement between members, providing a large range of industry reports, supporting with training, marketing and establishing a recognisable brand for the region</li> <li>▪ DBEC can <b>encourage indigenous growth</b> through providing ongoing business support, networking opportunities and service provider referrals by sector and specialism, working collaboratively with partners (e.g. EI, IDA, ENI, ITI)</li> </ul>
<p data-bbox="120 718 329 772">Governance and resourcing</p> 	<ul style="list-style-type: none"> <li>• Similar to other economic development entities on the island and internationally, governance structure can influence an entity’s overall performance and contribution. Internationally, <b>governance models are bottom-up, top down or mixed</b> (see stage 1 report: Dublin Belfast Economic Corridor Development Plan for greater detail on governance, resourcing and funding)</li> <li>• <b>Early momentum matters.</b> In the first three months of the implantation plan DBEC should focus on agreeing objectives, identifying actions and developing branding. Once established, priorities should be to fast-track high return projects, connect sectors and showcase growth</li> <li>• <b>Initially DBEC is to be based within one of the participating councils</b> (preferably near the border), until it becomes established, at which point it could explore other base options (e.g. own office(s))</li> </ul>
<p data-bbox="120 1005 329 1059">Communication and marketing</p> 	<ul style="list-style-type: none"> <li>▪ Currently, DBEC is in the process of hiring an <b>Partnership Officer</b> whose key role will be to engage with stakeholders, oversee internal and external communications and help promote the corridor</li> <li>▪ DBEC can look to other <b>international economic corridors</b> (e.g. GPEC, Research Triangle Partnership and Greater Copenhagen) for best practice in communication and marketing. These entities have produced industry reports, hosted events (such as discussion panels, presentations and networking) and conducted annual stakeholder satisfaction surveys to gauge their performance</li> <li>▪ There is the opportunity for DBEC to build on existing communications through using a <b>mixture of content streams</b> such as events, webinars, monthly newsletters, reports, podcasts, blogs and videos to best communicate the partnership’s message</li> </ul>

# Sample short-term priorities





Immediate actions undertaken in the first 6 months will generate momentum for the partnership.

Enabler	Short-term
<p><b>Skills</b></p> 	<p>Develop a <b>DBEC skills barometer</b>. This will monitor the changing needs of the labour market, measure demand and supply of skills and benchmark existing attainment levels</p> <p>Identify the <b>barriers to skills development</b>, such as funding, residency requirements or unclear career progression</p>
<p><b>Infrastructure</b></p> 	<p>Begin the exercise of <b>identifying infrastructure gaps</b>. Appoint a qualified team to lead the review</p> <p>Begin understanding <b>improvements to infrastructure amenities</b> needed to generate high-quality of life</p>
<p><b>R&amp;D</b></p> 	<p><b>Create an outreach list of high potential innovative SMEs</b> in priority sectors based along the corridor; engage with senior Executives about DBEC's role in promoting the corridor and wider R&amp;D opportunities</p> <p>Explore the potential of a <b>Circular Economy feasibility assessment</b> for the entire corridor, building on current examinations by BCC and DCC of the potential of this in Belfast and Dublin</p>
<p><b>Ways of working</b></p> 	<p>Implement a <b>collaboration agreement</b> for all local authorities to agree to. Arrange a programme of activities for the first year</p> <p>Appoint a <b>Programme Manager and Partnership Officer</b> to lead the DBEC partnership team</p> <p>Identify current and potential future <b>opportunities for funding</b>. Initially, these could include Shared Island Fund (Local Authority Development Funding), PEACE PLUS, Levelling Up, Shared Prosperity, Intertrade Ireland and Horizon Europe</p> <p><b>Organise regular learning sessions for councils to share initiatives with other council officers</b> and elected members to explore expansion of successful initiatives along the corridor</p> <p>Develop a <b>coherent marketing and communications strategy</b> with a clear editorial line. Initially, this could include a document setting out the benefits of the corridor, dedicated communication channels and consideration of comparator corridors for lessons learned</p>

These actions are initial ideas for consideration. They will be reviewed and further developed as part of the next stage of KPMG's work to inform the DBEC Action Plan, as well as by DBEC staff when up and running

# Sample longer-term actions

Longer-term actions will provide ongoing growth, helping DBEC achieve its vision by 2030.

Enabler	Medium-term	Long-term
<b>Skills</b> 	Develop a <b>skills policy and strategy</b>	<b>Develop the skills needed</b> to support the labour market based on a coherent plan for developing skills along the corridor, attracting skilled labour and retaining graduates
<b>Infrastructure</b> 	<b>Map assets with development potential</b> to gain a greater understanding of infrastructure needed to unlock the land. Lead the development of <b>infrastructure business cases</b> to inform wider strategic decision-making amongst policymakers	<b>Conduct transport modelling and analysis</b> to inform options development, priorities and infrastructure needs assessment. Conduct a <b>scoping of opportunities</b> and identify amenities needed to promote the region
<b>R&amp;D</b> 	Pioneer <b>regular trade events</b> to showcase relevant technology, promoting companies and inviting attendees. Coordinate cross-border opportunities for R&D, shared funding, and encourage collaboration	Investigate the feasibility for <b>waste infrastructure projects</b> which could support concepts associated with upcycling, waste segregation and eco-friendly treatments
<b>Ways of working</b> 	<b>Hire additional personnel</b> to lead on research activities and funding applications. Coordinate and <b>apply for funding</b> from different sources. Deliver strong applications which promote the ambition of DBEC and secure the required funds to deliver on identified actions. <b>Promote the corridor</b> as a great place to live and work using a range of communication channels to deliver a consistent message	

These actions are initial ideas for consideration. They will be reviewed and further developed as part of the next stage of KPMG’s work to inform the DBEC Action Plan, as well as by DBEC staff when up and running



# A framework for engaging with stakeholders

Early-stage strategic identification and engagement with stakeholders will drive momentum.

## Why engage with stakeholders?

- For each project, consider why stakeholders will be engaged, e.g.:
  - Levels of interest in respective projects
  - Desire to be involved in governance/delivery
  - Expectations of returns
  - Approaches to collaboration



## Who should be engaged?

- Identify the respective cohorts and potential roles, e.g.:
  - Central government/semi-state: funder/regulator
  - Local authorities: delivery/governance
  - Corporates and SMEs: beneficiaries/funders
  - Third sector and households: recipients/workers



## Who are the funders?

- Understand funding needs and who can provide funding, e.g.:
  - Resource/salary costs: temporary/permanent/part-time
  - Communications/marketing: event/conference/sponsorship
  - Research and delivery: external support/consultation
  - Potential sources: Shared Island Fund (Local Authority Development Funding), PEACE PLUS, Levelling Up, Shared Prosperity, Intertrade Ireland, Horizon Europe, InvestNI and Enterprise Ireland, corporate sponsorship



## How to engage with stakeholders?

- Take a targeted approach to engaging with stakeholders, e.g.:
  - Delivery partners: project meetings/workshops/virtual
  - Funders: financial and project reports/effective governance
  - Clients/customers: digital marketing/newsletters/emails/LinkedIn
- Have clear priority stakeholders and engage with these regularly
- Involve senior leadership from DBEC's member councils in relevant local project opportunities



The Action Plan will set out a framework for embedding stakeholders into DBEC's actions.

# Acronyms

Acronyms used throughout the report are listed below.

AAM	— Advanced Air Mobility	ITI	— InterTradeIreland
ABC	— Armagh City, Banbridge and Craigavon	KPI	— Key Performance Indicator
BCC	— Belfast City Council	LA	— Local Authority
DCC	— Dublin City Council	LCC	— Louth County Council
DBEC	— Dublin Belfast Economic Council	L&CCC	— Lisburn & Castlereagh City Council
DETE	— Department of Enterprise, Trade and Employment	LEO	— Local Enterprise Office
DfE	— Department for the Economy	MCC	— Meath County Council
DfI	— Department for Infrastructure	MNCs	— Multi National Corporation
DoT	— Department of Transport	MOU	— Memorandum of Understanding
DTTAS	— Department of Transport, Tourism and Sport	NI	— Northern Ireland
EI	— Enterprise Ireland	NDP	— National Development Plan
ENI	— Enterprise Northern Ireland	NMD	— Newry, Mourne and Down District Council
EU	— European Union	NPF	— National Planning Framework
FCC	— Fingal County Council	NVQ	— National Vocational Qualification
FDI	— Foreign Direct Investment	R&D	— Research and Development
GPEC	— Greater Phoenix Economic Council	RoI	— Republic of Ireland
HEI	— Higher Education Institute	RSES	— Regional Spatial and Economic Strategy
ICT	— Information Communication Technology	SFI	— Science Foundation Ireland
IDA	— Industrial Development Agency	SWOT	— Strengths, Weaknesses, Opportunities, Threats
INI	— Invest Northern Ireland	UK	— United Kingdom



# DBEC in a wider context

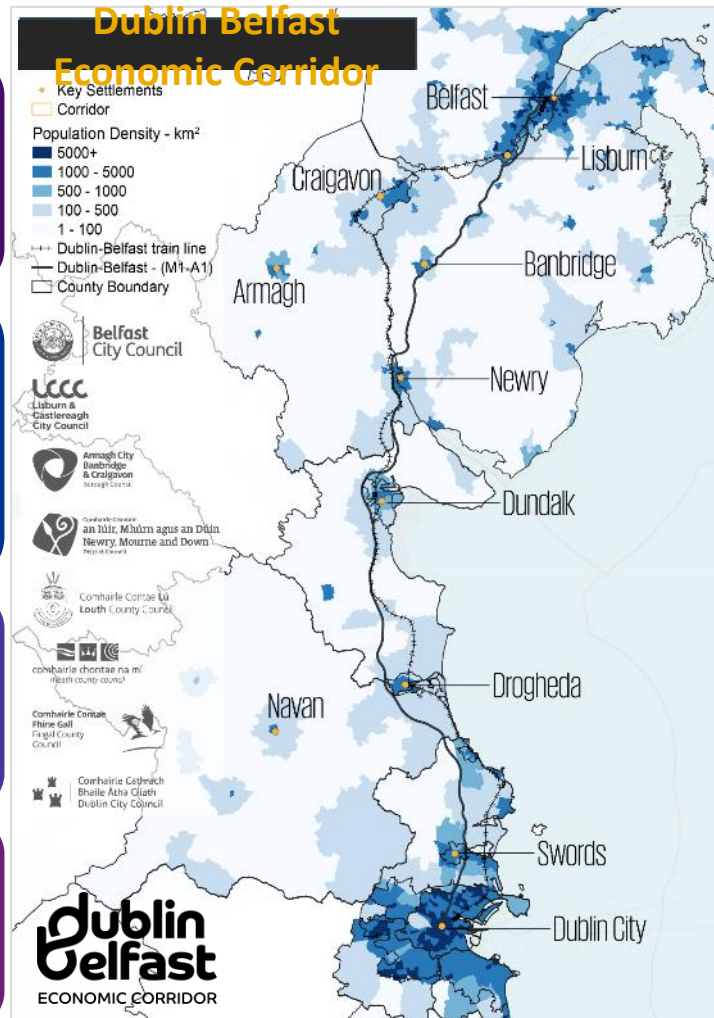
## Council areas in NI

**Belfast** (~340,000) is the economic driver of the NI economy, with key strengths in a number of growth sectors (digital, ICT, creative industries, fintech, financial services, health & life sciences, advanced manufacturing tourism). Belfast has huge potential out to 2030 and beyond

**Lisburn & Castlereagh** and their wider hinterland (~146,000) are ideally located as a gateway to Belfast, with direct access to the A1/M1 opening the area to multiple opportunities. Population growth is amongst the strongest in NI and has a significant supply of high quality employment land, including the Strategic Land Reserve at Maze Long Kesh

**Armagh City, Banbridge and Craigavon** and their hinterland (~217,000) comprise of key settlements and enterprise bases (e.g. agri-food, manufacturing). The area also has strong cultural assets that can be capitalised on as part of DBEC thematic foci

The **Newry, Mourne & Down** area (~182,000) is an access point to/from NI/RoI and vice versa, and also includes freight access into NI through Warrenpoint Port. The area has huge opportunities to grow through the development of DBEC



## Council areas in RoI

**Louth** (~145,000) is home to high-quality research centres and facilities at DkIT, particularly around ICT, Health and Ageing; Energy and Environment, and Creative and Digital Arts. Other sectors include engineering and food manufacturing, financial services and agriculture

**Meath** (~217,000) has sectoral strengths in culture and heritage, agri-food, logistics, and telecoms, and serves a key provider of talent to employers in the Greater Dublin Area

**Fingal** (~344,000) is a vital component of the Dublin Region's economy, home to Dublin Airport and multiple MNCs and SMEs across all sectors. The Dublin Enterprise Zone has over 1500 hectares of land zoned primarily for business activities.

**Dublin City** (~603,000), with over a quarter of the corridor's population, is the economic driver of the island's economy, with major strengths in professional services, tourism, life sciences, aviation, financial services, tech.

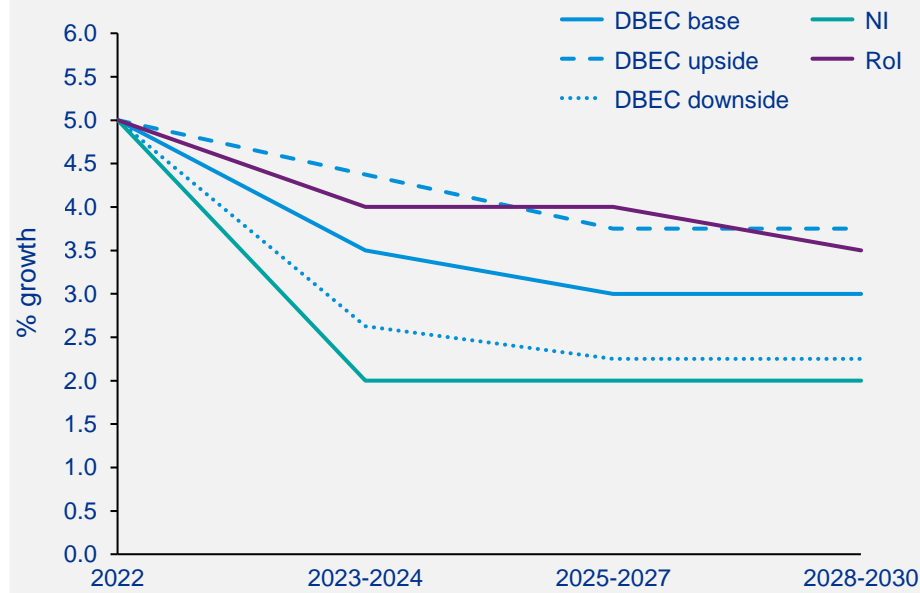
Notes: Population shown in brackets  
Sources: Based on the latest census data at Electoral Division (Northern Ireland) and Super Output Area (Republic of Ireland)

# Economic and Social Context

# National and regional economic outlook

The corridor's economy has the potential to grow strongly over the coming years.

Economic growth outlook, % 2022-2030



## Key Takeaways

- The global economy has seen several shocks in recent years with the Covid-19 pandemic, UK Exit from the EU and the ongoing conflict in Ukraine causing uncertainty. 33,000 Ukrainians had arrived in Ireland by early June 2022 and 600 visas have been granted for Northern Ireland, putting pressure on accommodation and government funds to support them. Protracted negotiations between the UK and EU, particularly with respect to the NI Protocol, are reducing confidence in future agreements for investors
- The combination of extreme weather reducing agricultural supply, disruption to eastern Europe supply chains and the increased demand following 2 years of consumer restraint are driving inflation levels of 7% forecast for Ireland and 8% for the UK. Inflation is expected to return to 2% by 2024 but lower disposable incomes will dampen consumer spending in the meantime
- ECB monetary policy rates increased in July 2022, and are likely to further increased in late 2022 potentially dampening investment and consumer spending. The Bank of England has gradually increased rates to reach 1.25%, the highest level in 13 years.

## Opportunities for DBEC

- In NI, the 10X economy agenda sets out an ambitious plan for the growth of a number of key growth and foundational sectors over the period to 2030. Improving productivity is a key ambition of 10X, building on previously highlighted challenges (e.g. availability of skills)
- A strong labour force with increased participation following the pandemic will boost recovery. A focus on improving productivity among companies to counteract increasing supply costs will be key.

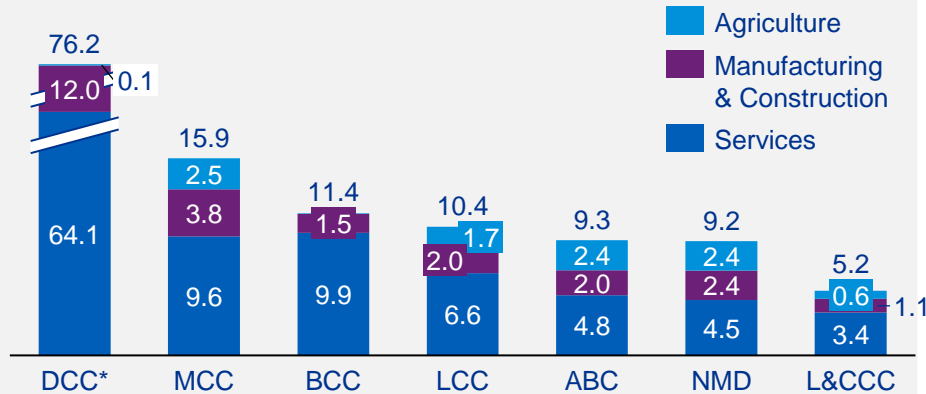
Notes: The CSO has suppressed data on regional GVA in the Mid-West for reasons of confidentiality  
 Sources: Department of Finance (Budget 2021), ESRI (Quarterly Economic Commentary, Summer 2022), Central Bank of Ireland (Quarterly Bulletin, June 2022)



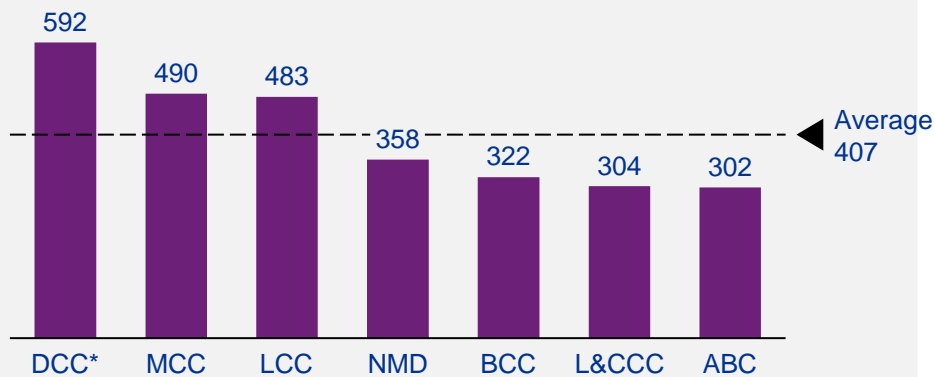
# Enterprise base

The corridor hosts a diverse range of sectors and businesses.

Breakdown of number of enterprises in the corridor, ('000)



Active businesses per council, per 10,000 residents



Notes: \*Fingal County Council is included within the Dublin City Council (DCC) statistics  
Sources: CSO, NISRA, InvestNI

## Key Takeaways

- Services account for the largest share of enterprises (75% of enterprises in the corridor), with professional, scientific and technical services a key growth sector across the corridor
- The agriculture sector is particularly strong in MCC, LCC, ABC and NMD, where it accounts for 12% - 27% of their enterprise base. These councils all have strong potential to cooperate on cross-border agri-tech opportunities to collectively grow the sector
- Manufacturing is a high growth sector for the region and accounts for 18% of businesses across the corridor. DCC and FCC account for just under 48% of the corridor's manufacturing businesses
- When adjusted for population, counties DCC (592), MCC (490) and LCC (483) have the highest number of active businesses per 10,000 residents. In each of the councils on the northern end of the corridor, the number of active businesses per capita is below average

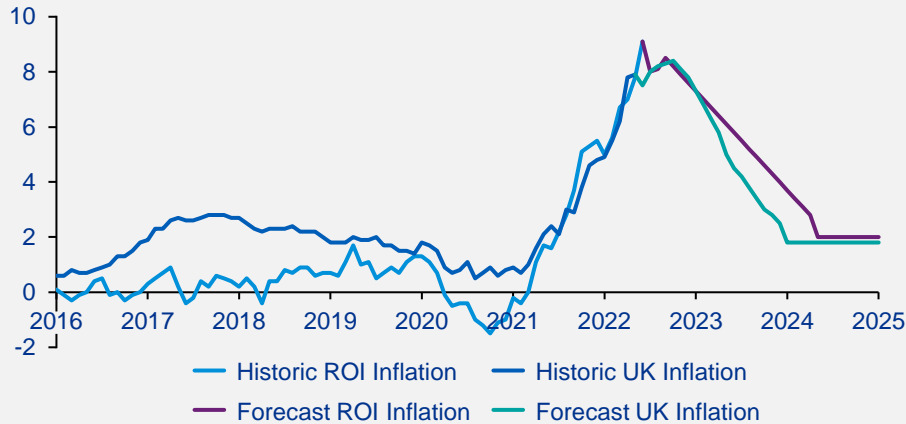
## Opportunities for DBEC

- The pandemic enabled many commuters to work from home and provided growth opportunities for settlements along the corridor. While there has been a return to the office in some cases, remote working continues to represent an opportunity for councils located in the corridor's core area
- A more balanced spread of active business across the corridor may provide greater training and work opportunities for residents living outside major urban settlements
- Other opportunities are for DBEC to encourage councils to collaborate and support competitiveness in tourism, skills, and R&D

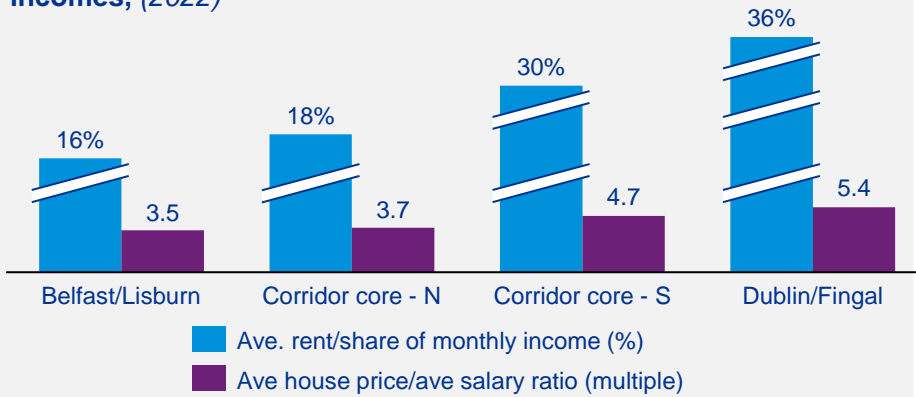
# Cost of living

**Greater levels of affordability North of the border provides opportunities for Northern Ireland.**

Rol and UK Inflation, (year on year % change)



Affordability of housing for a two person household on average incomes, (2022)



Sources: CSO, NISRA, Central Bank, ESRI, Eurostat, ONS, KPMG analysis, Ulster Bank (Northern Ireland PMI, May 2022)

## Key Takeaways

- Inflation is at a decades-long high across Europe posing challenges to households' cost of living and businesses' cost of operating
- In ROI, the Central Bank are forecasting inflation to peak at 7.7% in 2022, thus ending a long period of low inflation in Ireland (inflation averaged 0.8% in 2017 to 2021). On a wider level, Eurozone inflation reached 8.6% in June 2022
- UK inflation reached a 40 year high of 9.1% in May and Northern Ireland companies increased prices at their sharpest rate in almost 20 years of data collection as manufacturing input prices also reached record inflation levels
- Approximately 80% of the driver of higher inflation in 2022 is energy costs (gas prices have increased by 70%-75% and oil prices are up 40%-45% since 1 January 2022). Pandemic-related supply bottlenecks and geopolitical uncertainty are also key drivers of headline inflation
- Most forecasters are anticipating that inflation will peak in late 2022/early 2023, likely reducing the competitiveness of export-focused businesses through to 2023.

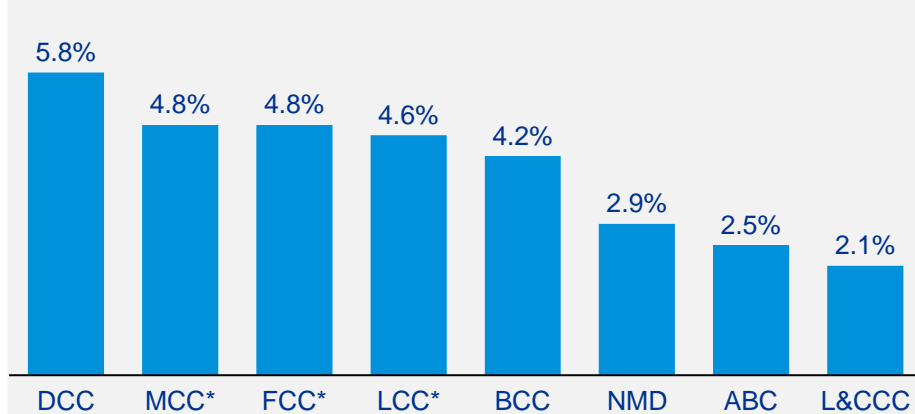
## Opportunities for DBEC

- While inflation is an issue along the corridor, housing and rental costs are significantly lower in NI council areas, providing a competitive advantage relative to ROI or other regions in Europe
- This provides opportunities for securing higher levels of FDI, in particular through MNCs establishing a second base or expanding their primary base in larger cities. DBEC can bridge the gap between IDA & Invest NI by engaging with corridor-specific FDI prospects
- Advocate for cross-border infrastructure and R&D for renewable energy to help encourage more stable long-term energy pricing.

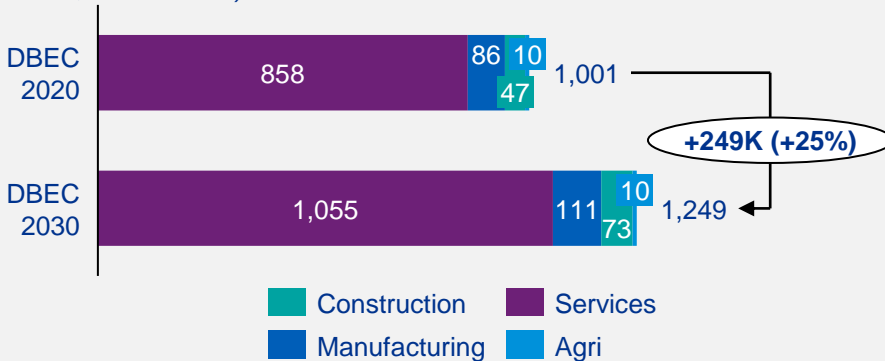
# Employment

## The corridor has low levels of unemployment and strong jobs growth forecasted.

Unemployment rate by council, 2021



Projected job growth per sector across the corridor '000s, 2022-2030)



Notes: \*Based on Border and Eastern and Midland unemployment rates and NI claimant counts  
Sources: CSO & NISRA, KPMG Analysis

### Key Takeaways

- Pre-Covid, unemployment had been falling steadily across the corridor since its peak (2011 in ROI and 2012 in NI). By first quarter of 2022, the unemployment rates had decreased to 2.3% for NI and 5.4% for the Eastern and Midland (ROI). Post-Covid the unemployment rate varied along the corridor with the highest unemployment observed in DCC and lowest in L&CCC
- DCC accounts for the largest share of the corridor's workforce at 29% (295,000), followed by BCC (~10%), and the other council areas accounting for the remaining 61% of jobs
- As a result of Covid-19 there are increased opportunities for people to be based outside of Dublin/Belfast and work remotely. This allows for greater mobility of labour across the corridor
- There is strong average annual projected population growth out to 2030 for the corridor of 1.1% p.a. with a projected annual job growth matching this of 1% p.a.

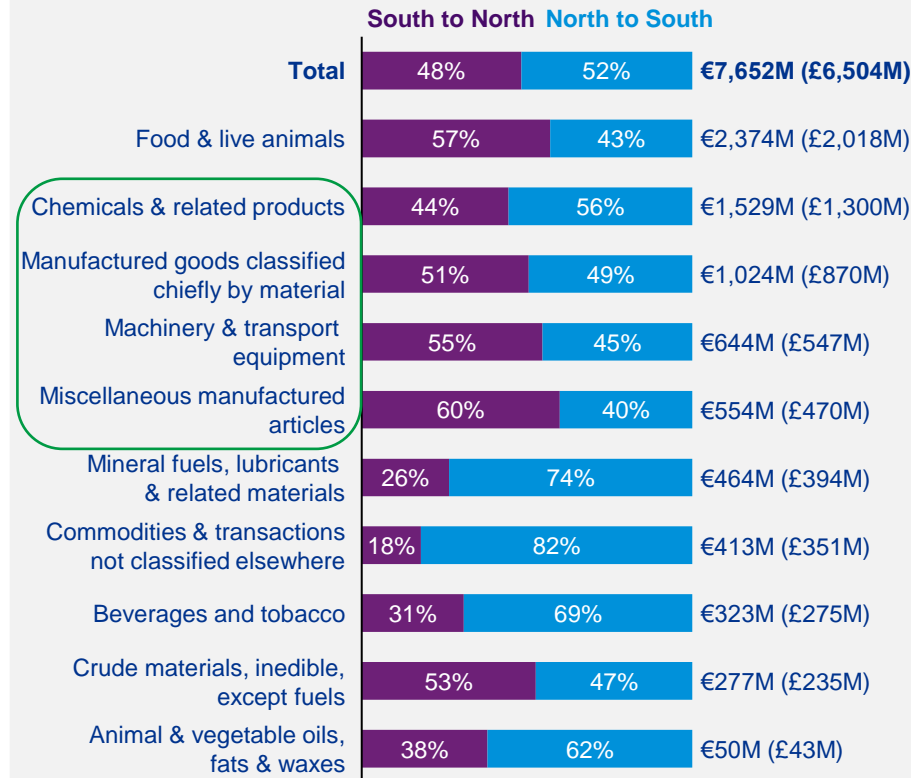
#### Opportunities for DBEC

- There are opportunities to increase the number of businesses operating across the corridor, in particular in the services sector.
- No agency is currently co-ordinating enterprise and job growth specifically for the corridor and DBEC can contribute to skills development along with partners (EI, Skillnet, SFI, ENI, DfE, HEIs, etc).

# Trade

Trade in goods between NI and RoI reached €7.6 / £6.5 billion in 2021.

## Goods traded between NI and RoI (Jan 2021 to Dec 2021)



Refers to particular strengths in cross border trade within the corridor

## Key Takeaways

- Trade in goods reached €7.6 billion (£6.5 billion) between NI and RoI between January 2021 and December 2021, the highest ever level. The top three groupings of goods being traded between NI and RoI are food and live animals, chemicals and related products and manufactured goods
- Services account for 26% of the total trade going from NI to RoI and 16% of trade in the opposite direction.

## Opportunities for DBEC

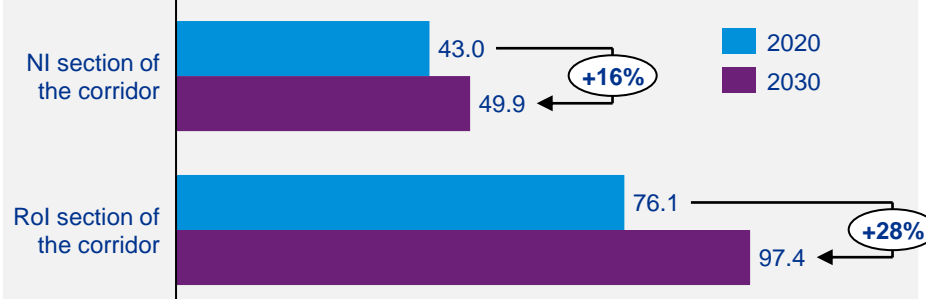
- There are opportunities for DBEC to take advantage of changing trends in trade, as identified in the *EI 2022-24 Strategy: Leading in a Changing World*. These include a push towards more sustainable consumption, increasing importance of services related growth and an ambition for export focussed growth
- InterTradeIreland provides advisory services on an all island basis, but there is currently no coordination to support businesses operating along the corridor. There is an opportunity for DBEC to work with partners to highlight cross-border and import substitution opportunities for regional businesses, through research, events, and external communications
- Other international corridors employ a range of initiatives to encourage trade and investment. Some which DBEC could replicate include: providing an FDI toolkit for both NI and RoI, providing operating costs comparisons with other locations around the UK and Europe, and implementing a collaboration agreement between councils and members to ensure there is good faith when working together.

Sources: CSO

# Investment

## The Corridor needs to strengthen traditional drivers of investment to remain competitive.

Total employment from foreign owned businesses within the corridor ('000, baseline growth assumption)



### Opportunities for DBEC

- FDI's strong contribution to economic growth is projected to increase by 2030, but limited coordination of prospects on a corridor level risks loss of investment to other regions internationally. There is an opportunity for DBEC to work with IDA and Invest NI to better align on promoting the corridor and securing investment
- Ireland is highly attractive to international FDI and captures 4% of EU FDI despite having only 1% of the EU's population. Both Northern Ireland and the Republic of Ireland are pursuing FDI and export led economic growth models, which rely upon attracting FDI in export intensive sectors in order to compete in internationally traded goods and services
- There is the opportunities for a Freeport/taxation/enterprise area along the A1/M1 corridor. Early stage procedures are likely to include a valuation of sites, infrastructure requirements and interdependencies with road and rail network improvements.

Sources: CSO, NISRA

### Key takeaways

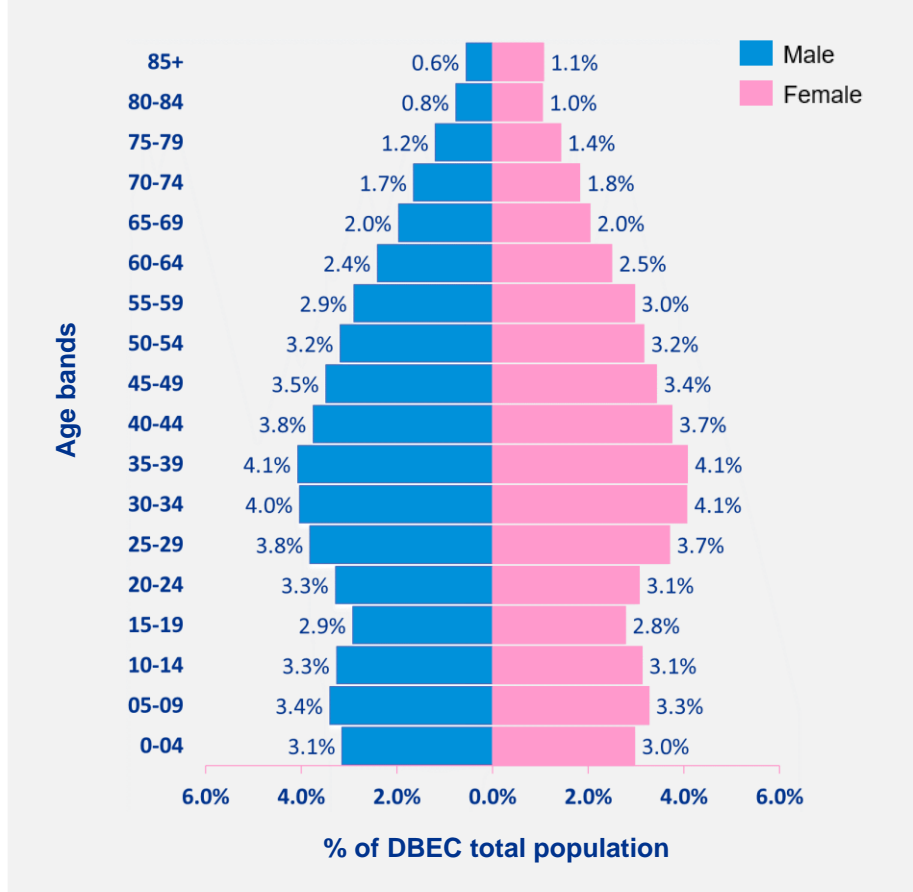
- The international economic climate is shifting from the economic paradigm that was in place after the financial crisis. At the same time, there is a changing economic focus from post crisis recovery to post pandemic shock management, particularly around inflation. Changes include:
  - Loose monetary policy to support credit and asset prices
  - De-risking economic development models
- There is a continued importance of FDI to the Irish economy and the expected economic recovery following the pandemic
- Dublin and Belfast are recognised as centres of growth for their respective economies. Opportunities to locate FDI firms outside capital cities to spread growth across the corridor are subject to infrastructure and local affordability
- Knowledge-intensive sectors with patent-generating potential are becoming key in the context of the 'twin transition' of technology and climate
- Traditional drivers of investment to the Corridor are in need of reinforcement:
  - Decreased ability to rely on tax competition in light of OECD/EU tax reforms
  - Political stability / predictability
  - Increasing depth and breadth of ties with EU states.



# Demographics

The corridor has a large working age population which can be marketed to attract FDI.

Age demographics for the corridor  
Total Population of DBEC ~2.0 million



Sources: CSO, NISRA

## Key takeaways

- Along the corridor, the working age population (those aged 15-64) account for 67% (1.4 million) of the total population, providing a strong base of labour for the region's workforce
- 31% of the corridor's population is aged 25-44, above the national average for both RoI (30%) and NI (26%), and reflecting relatively higher needs for this age cohort regionally
- A large proportion of the population along the corridor are under 14 (19%) providing a good level of throughput which will help grow the corridor's workforce in the years to come
- MCC, FCC and DCC have the youngest populations in the corridor with over 65% of their population under the age of 45
- L&CCC has the oldest population in the corridor with the highest percentages for both 65+ and 45 – 64 years old age bands.

## Opportunities for DBEC

- In its international marketing of the corridor, DBEC can highlight the region's young and diverse population to FDI prospects
- At the same time, RoI's ageing population will create opportunities across healthcare and ICT: DBEC can align with the growing EI-funded connected healthcare hub at DKIT on research on ageing, supporting the development of a cross-border cluster of age-related R&D players
- There is a need for reliable up to date cross-border (socio-economic) data that is easily comparable for each council. DBEC can lead on this and ensure data is kept up to date.

**dublin  
Belfast**  
ECONOMIC CORRIDOR

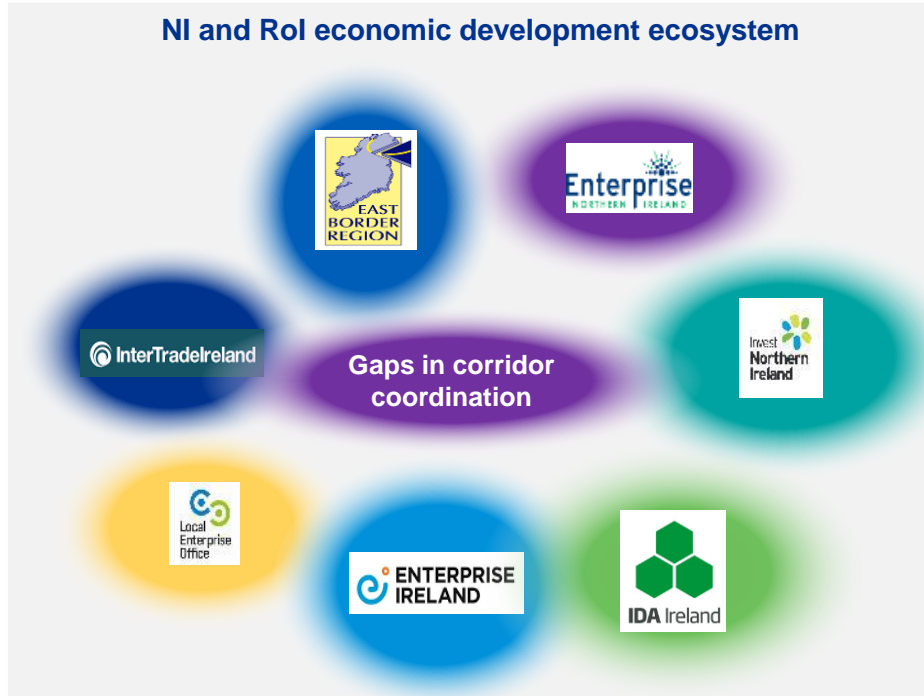
# Policy Context



Belfast Campus – Ulster  
University

# Economic development ecosystem

Several players and multiple national and regional policies work to advance the economy of the island or local areas. No entity is advocating specifically on behalf of the corridor region.



## Policy Alignment

- A key priority for DBEC will be to avoid duplicating activities that are already carried out by other organisations. Instead, the partnership will fill an identified gap in the economic development system to drive collaboration and economic growth along the corridor
- DBEC will align its activities with the relevant government and regional policy complementing the work of other entities working to generate economic growth in the region. These policies include but are not limited to; NI Economy 2030, Investment Strategy for NI 2050, New Decade New Approach, RDS 2035, Eastern & Midland RSES, EI Powering the Regions, Project Ireland 2040 - NPF and NDP
- Three key enablers will drive DBEC’s agenda – *skills, infrastructure and research and development*. Targeting improvements across these areas will contribute to DBEC achieving its objectives. Key policies are examined later in this report the context of each of these enablers.

### Ecosystem gap: corridor-specific growth initiatives

Local Authorities, educational institutions and multiple public and private organisations work collaboratively in the region across a number of key themes, including tourism, education and research funding. However, there is a clear gap in the ecosystem: no entity is working to advance the economy of the corridor specifically.

Sources: NI Economy 2030, Project Ireland 2040 (NPF & NDP), New Decade, New Approach, RDS 2035, Eastern & Midland RSES, EI Powering the Regions, Investment Strategy for NI 2050, Belfast Region City Deal, Shared Island

# Ecosystem gap analysis

Level of gaps in ecosystem		
Not covered in others' remit	Others already lead on. Risk of duplication but possible role for DBEC to collaborate	Small risk of duplication. Larger role for DBEC to lead and collaborate

Across DBEC’s key enablers – skills, infrastructure, and R&D – several gaps are observed across the corridor’s economic development ecosystem. Alongside that, there are multiple partnership opportunities.

There is a significant opportunity for DBEC to become the corridor’s flagship economic ‘think-and-do tank’. It can advocate for the corridor domestically (securing funding, preparing business cases and championing the private sector), contribute to more co-ordinated skills development, and be the voice for the corridor internationally. The table below sets out the roles played by existing organisations in relation to each of the enablers and identifies where there are gaps for DBEC to consider.

## Gap analysis of the corridor’s economic development ecosystem and potential role for DBEC

Activities relevant to DBEC		Organisation type													
		Central government				Other public sector bodies					Research		Local players		
		DfE	DoT	DETE	DfI/ DTTAS	INI	ENI	ITI	EI	IDA	SFI	HEIs	LAs	LEOs	Prv.
Skills	Coordinates regional skills development	Green	Grey	Grey	Grey	Green	Green	Green	Green	Grey	Green	Green	Green	Green	Green
	International comms on skills base	Grey	Grey	Grey	Grey	Green	Grey	Green	Grey	Green	Grey	Yellow	Green	Grey	Grey
Infra.	Regional funding for cross-border projects	Green	Yellow	Green	Green	Green	Grey	Green	Green	Green	Grey	Green	Green	Grey	Grey
	Initiates and develops cross-border business cases	Grey	Green	Grey	Green	Grey	Green	Grey	Grey	Grey	Grey	Green	Grey	Grey	Grey
R&D	Part-funds regional capability building (assets, people)	Grey	Grey	Green	Grey	Green	Green	Green	Green	Green	Yellow	Yellow	Green	Grey	Grey
	Advocates for the corridor region internationally	Grey	Grey	Grey	Grey	Green	Grey	Green	Green	Green	Grey	Grey	Green	Grey	Green

Sources: NI Economy 2030, Project Ireland 2040 (NPF & NDP), New Decade, New Approach, RDS 2035, Eastern & Midland RSES, EI Powering the Regions, Investment Strategy for NI 2050, Belfast Region City Deal, Shared Island

# Councils' development plans (1/2)

It is critical to align DBEC's strategy with its constituent councils' development plans.

## Council development plan timelines and key thematic priorities



### Key takeaways

- Finalised development plans are in place amongst local authorities in the core corridor area, with draft development plans in place in Dublin, Fingal, Lisburn & Castlereagh City, and Belfast
- The eight councils in the corridor have a number of similar themes in their development plans. Common ones discussed are: housing, environment and employment
- In total, DBEC's constituent councils are targeting >170,000 housing units over the period to 2030.

### Opportunities for the corridor

- Development plans are the main conduit through which long-term strategic and spatial planning is realised in both NI and RoI. NI planning policy is typically prepared at a regional level based on guidance from DfI (e.g. The Strategic Planning Policy Statement). In RoI national planning guides local authorities (e.g. NPF, Project Ireland 2040) to prepare bespoke development plans
- While the basic structures of the two systems are similar, there are differences, e.g. RoI has more tiers of planning policy hierarchy than NI. Nationally significant projects are decided differently between the two jurisdictions, and the appeals process in RoI allows for third party appeals, whereas NI does not
- All development plans identify housing as a key strategic priority, with a range of key enablers: zoning, planning guidelines and labour policies. As a key factor in the corridor's competitiveness, meeting housing targets over the period to 2030 will be a priority for the councils
- To realise growth along the corridor, DBEC can align its programme of work with the development plans of its constituent council. Clear opportunities for alignment include:
  - Identifying gaps in green infrastructure
  - Identifying appropriate locations for e-charging stations (including at tourist attractions)
  - Reviewing the availability of labour in the construction sector to meet housing targets
  - Communicating training opportunities across the corridor
  - Promoting greenways to local and national audiences, as part of international marketing to potential inward investors and tourists.

Sources: Belfast Local development plan 2035 (currently draft), Lisburn & Castlereagh local development plan 2032 (currently draft), Armagh City, Banbridge and Craigavon local development plan 2030, Newry, Mourne and Down District Council local development plan 2030, Louth County development plan 2021-27, Meath County development plan 2021-27, Dublin City Council development plan 2022-28 (currently draft)



# Councils' development plans (2/2)

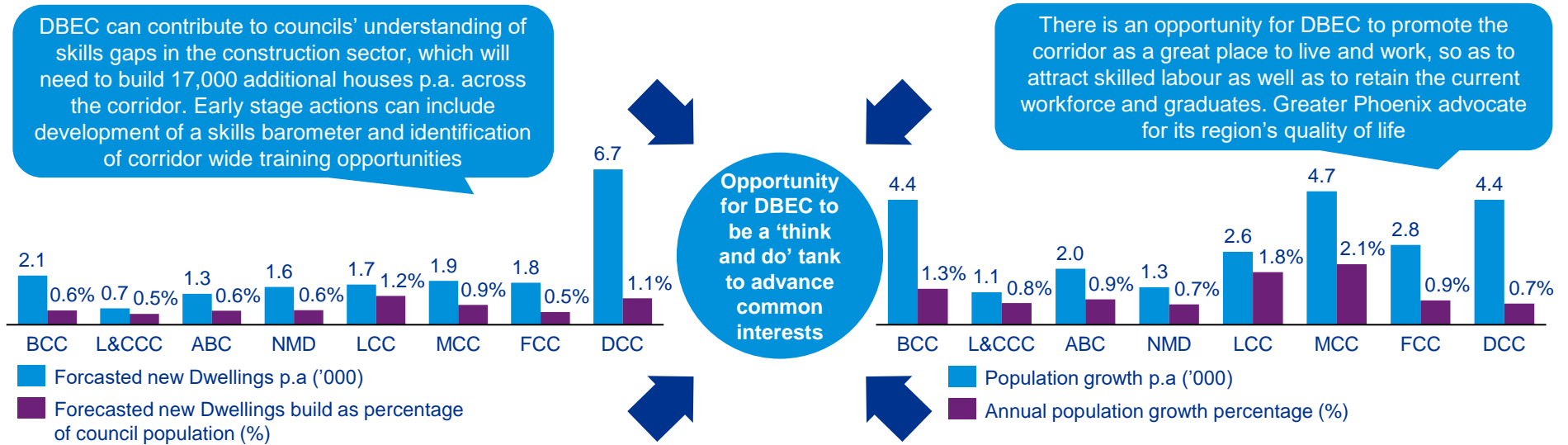
Population growth can drive demand for services and economic output. Local development plans are conduits for delivery. DBEC can be an advocate for the region's potential.

Average annual new dwellings targets for each council out to 2030  
(Total 17,000 houses p.a.)

Additional population targets for each council by 2030  
(Total 23,300 p.a.)

DBEC can contribute to councils' understanding of skills gaps in the construction sector, which will need to build 17,000 additional houses p.a. across the corridor. Early stage actions can include development of a skills barometer and identification of corridor wide training opportunities

There is an opportunity for DBEC to promote the corridor as a great place to live and work, so as to attract skilled labour as well as to retain the current workforce and graduates. Greater Phoenix advocate for its region's quality of life



## Other key themes across council development plans



Sources: Councils respective development plans, KPMF analysis

# National and regional policy

Co-ordinated strategies are required to ensure sustainable growth across the cross-border network.

Comparison of national and regional policy		Key Themes				
		Skills & Employment	Infra.	R&D	Services	
National and regional policy	NI	NI Economy 2030 2018 - 2030	✓	✓	✓	✓
		Investment Strategy for NI 2050 (2022 -2040)	✓	✓	✓	
		New Decade New Approach (2020 -2030)	✓	✓		✓
		RDS 2035		✓		✓
National and regional policy	RoI	Eastern & Midland RSES (2019-2031)	✓	✓		✓
		EI Powering the Regions	✓		✓	
		Project Ireland 2040 - NPF & NDP (2010-40)		✓		✓

## Opportunities for the corridor

- National and regional plans in Ireland and Northern Ireland emphasise the need to safeguard and improve accessibility and core infrastructure between Dublin and Belfast, as well as cross-border networks between Drogheda, Dundalk and Newry
- RSES's regional policy objective regarding DBEC is to support the effective planning and development of large centres of population and employment along the main economic corridor, in particular Drogheda and Dundalk
- As housing supply is a cross-border challenge, local authorities can benefit from working together when preparing future area plans, land use zoning requirements, and housing policies
- The RoI's Eastern & Midland Regional Spatial and Economic Strategy notes that the Corridor has the capacity to provide the only potential paired city growth pole of scale on the Island, reaching a European benchmark 5 million population target to compete with similar city regions in the EU.

**Growth poles** include a group of industries connected around a particular resource or leading industry from which economic growth is focused. They are intended to drive rapid economic growth in a short time frame, based on agglomeration effects and stimulate the growth of smaller industries from the core cluster.



## Key Information

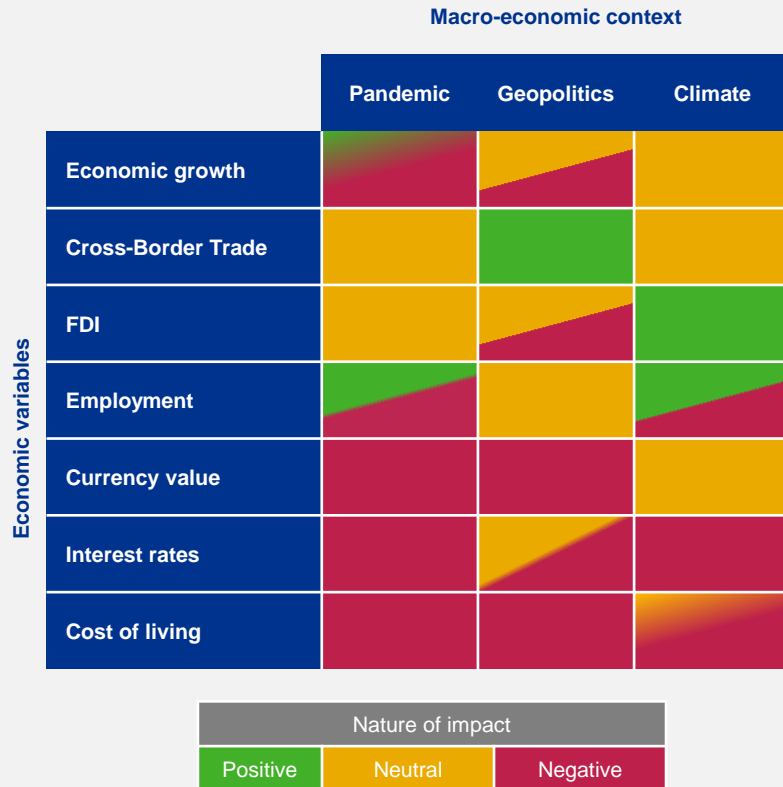
- RoI's National Development Plan 2021-2030 commits €3.5billion for collaborative cross-border investment through the Shared Island Fund, Project Ireland 2040 funds, and the Government's annual funding for North/South cooperation and the PEACE PLUS programme
- Project Ireland 2040 commits to increased capital infrastructure investment, such as the 'Better Connecting Dublin and Belfast' strategy. It also identifies Drogheda and Dundalk as key economic centres in the context of DBEC and earmarks investment to support sustainable growth
- The Regional Development Strategy 2035 (NI) shows the need to include development of the wider eastern corridor, including Newry/Dundalk
- The Investment Strategy for Northern Ireland 2050 highlights the electrification and upgrading of the Belfast-Dublin rail corridor as well as road and utilities upgrade schemes along the corridor as a future development of strategic importance.

Sources: NI Economy 2030, Investment Strategy for NI 2050, New Decade, New Approach, RDS 2035, Eastern & Midland RSES, EI Powering the Regions, Investment Strategy for NI 2050, Belfast Region City Deal, Shared Island

# Short-term macro-economic challenges

Combined external impacts pose challenges and risks to the macro-economy.

Impacts of key macro-economic factors on economic variables in the corridor



## Challenges for the corridor

- The **Covid-19 pandemic** created significant challenges for many sectors (e.g. hospitality, retail and construction) and economic growth declined in a number of these sectors. During the recovery phase, while there have been some returns to growth, a number of sectors are struggling to fill vacancies. Both the Euro and the Pound suffered with inflation following the pandemic, with each respective central bank monitoring interest rates as a lever for cost controls. Exchange rates fluctuated in response to policies implemented to slow the spread of Covid and associated impacts on the economy.
- As of Q1 2022, **geopolitical uncertainty** arising from Brexit and the Russia-Ukraine conflict has significantly increased risks to a number of economic variables. The impact on fuel supply is increasing costs of living across the world, political uncertainty may dampen FDI opportunities and currencies are fluctuating as the markets respond to updates. Economic growth has slowed as resources are put into responding to the crisis.
- In response to slowing **Climate Change** impacts, graduating increases to carbon taxes through the 2020s can be expected to drive higher inflation in ROI and NI, particularly through higher energy costs. Some job losses in higher emissions sectors may arise. Interest rates in the UK and Ireland through the Bank of England and the ECB respectively are expected to increase through 2022. This will increase the cost of borrowing for firms and may dampen private investment over the medium-term as central banks respond to high inflation through 2022.

# Short-term macro-economic opportunities

There are some clear opportunities for the corridor and for DBEC.

Impacts of key macro-economic factors on economic variables in the corridor

		Macro-economic context		
		Pandemic	Geopolitics	Climate
Economic variables	Economic growth	Positive	Neutral	Positive
	Cross-Border Trade	Positive	Positive	Positive
	FDI	Positive	Neutral	Positive
	Employment	Positive	Positive	Positive
	Currency value	Positive	Positive	Positive
	Interest rates	Positive	Positive	Positive
	Inflation and cost of living	Positive	Positive	Positive

Nature of impact		
Positive	Neutral	Negative

Sources: CSO

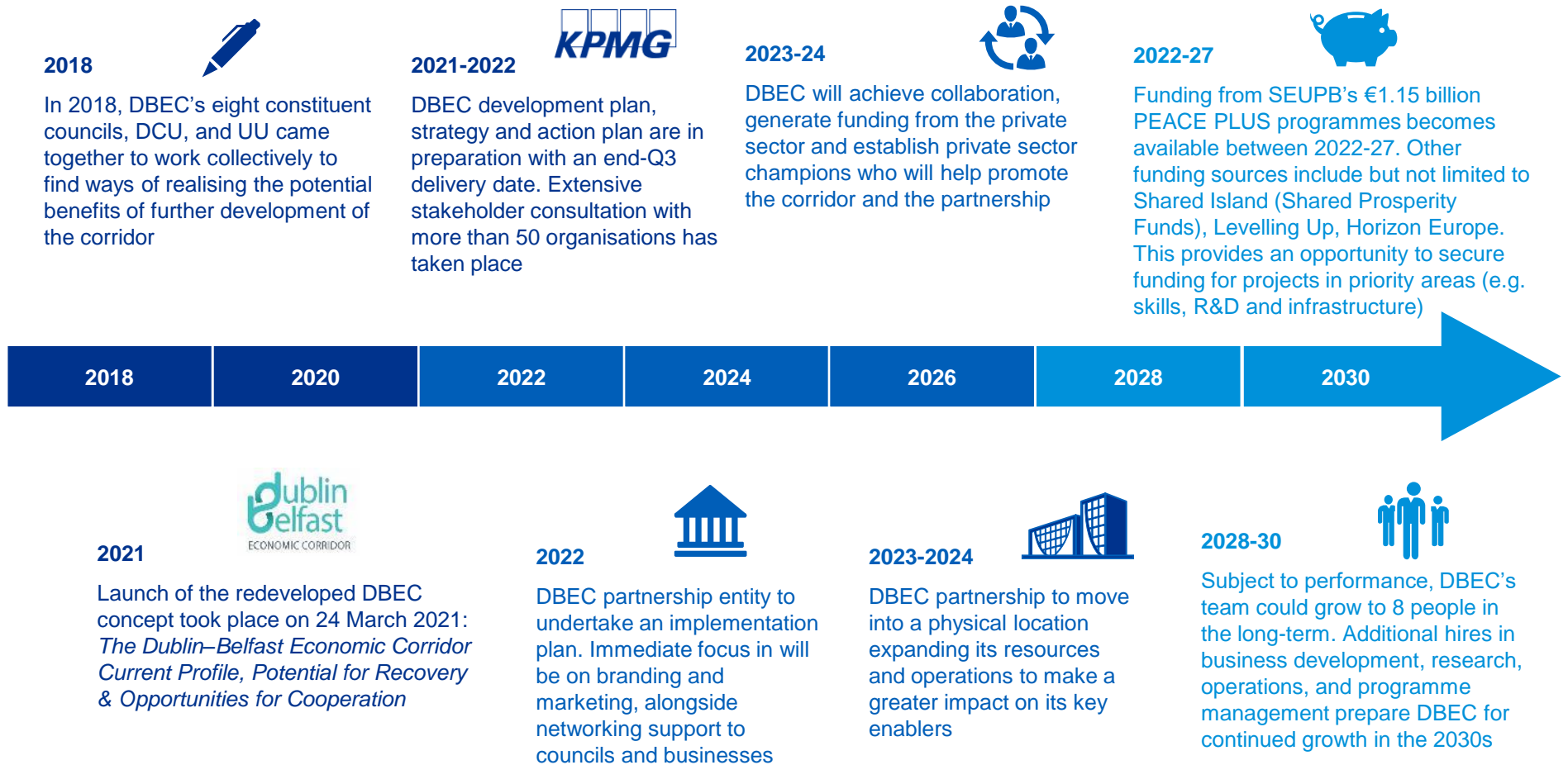
## Opportunities for the corridor

- The **pandemic** generated significant opportunities for a range of sectors in which the corridor has key strengths (ICT, pharma and life sciences, professional services). These growing sectors provide employment opportunities as the economy recovers. Given the region’s underlying strengths in pharma, life sciences, and ICT, there is an opportunity to create a step change in R&D, innovation, and employment in existing and emerging high growth sectors.
- In the long-term, the **geopolitical impact** of the Russia-Ukraine conflict may increase a reshoring of investment from Russia to members of the Single Market. Despite the challenges arising from UK Exit from the EU, cross-border trade is at an all-time high, with food and live animals, chemicals and related products, and manufactured goods the most widely traded goods. This cross boarder trade between NI and RoI increased by ~59% in 2020-2021, totalling ~€7.65bn (£6.50bn). Cross-border trade has increased in the agri-food sector in particular, benefitting MCC, LCC, ABC and NMD, and highlighting potential to cooperate on cross-border agri-tech opportunities.
- Opportunities in **climate adaptation and mitigation** offer potential to attract inward investment in sectors involved in climate adaptation/mitigation (e.g. renewables, hydrogen, green technologies). In responding to climate change, there are a number of national and regional initiatives that will focus on improving skills and training on wider levels. In the corridor, DBEC can take a number of initiatives (targets, investment, re-/up-skilling, amongst others) to highlight opportunities for skills development amongst the corridors workforce.

# Vision and Ambition

# Evolution of DBEC

The DBEC concept has developed over time and will continue to grow as the partnership is established.





# Strategic objectives

**Ambition:** To become a leading economic corridor in Europe, achieving sustainable growth through collaborative R&D, a highly skilled workforce and enabling infrastructure

**What we want to be famous for:**

*A major international centre in growth sectors like Professional Services, Advanced Manufacturing, ICT, Life Sciences and Advanced Agriculture*

## Strategic objectives:



Increase **skills and training** to meet the labour requirements of the region, building on and expanding the existing workforce



Enhance collaboration in **R&D and Innovation** on a cross-border basis, targeting investment in high growth sectors and the green economy



Promote **sustainable and climate-conscious growth** throughout the corridor, aligned with councils' development plans and wider policy objectives



Align with and support economic development partners to increase **trade and investment** in the corridor



Advocate for **cross-border infrastructure** to strengthen connectivity and access to markets and labour



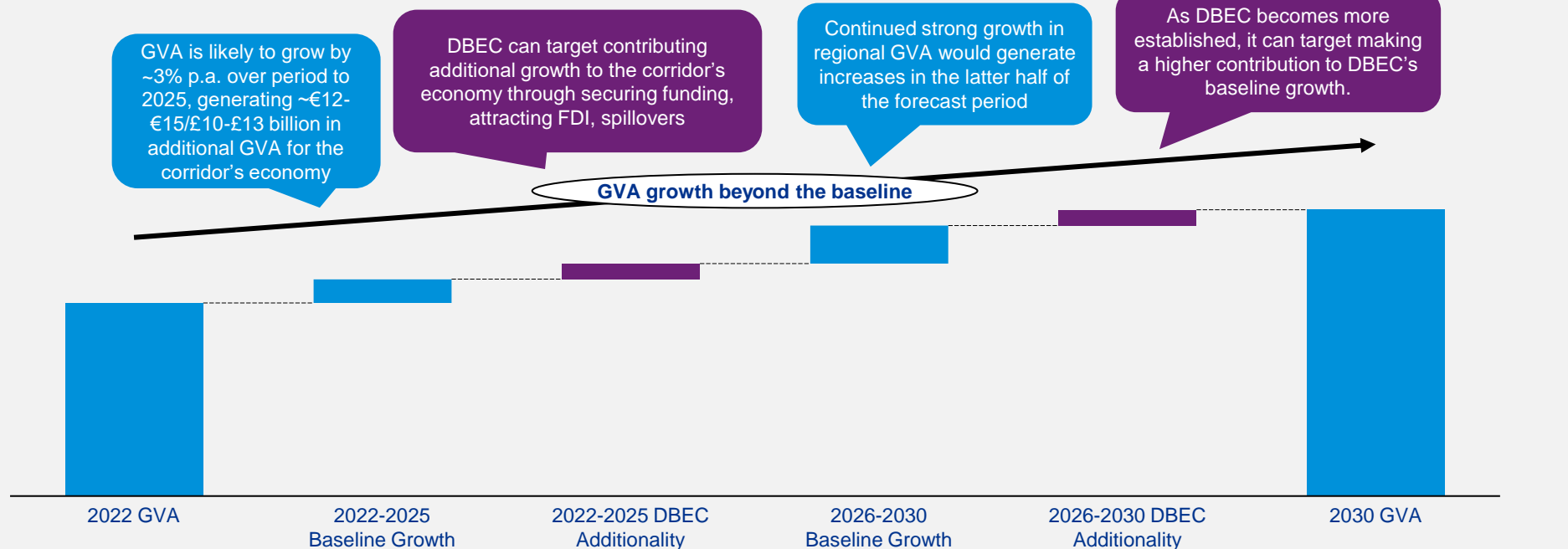
Market the region and elevate the DBEC brand so that the region becomes **globally renowned** as an attractive place to live and do business

# Enablers

# Context and ambition

Baseline economic growth can be bolstered by DBEC. The entity can target generating additionality on top of the baseline, through securing funding for cross-border projects, attracting FDI alongside partners, and creating economic spillovers through projects' supply chain impacts.

## 2030 Ambition: Contribute additional GVA growth beyond the baseline



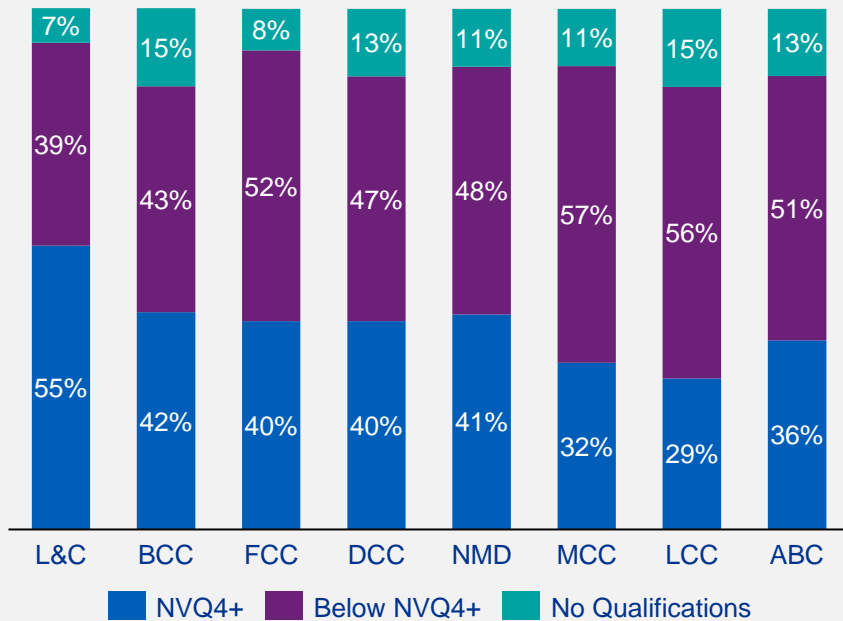
## DBEC's ambition can be achieved through three key enablers:



# Skills (1/2)

While the corridor’s workforce is skilled in relative terms, some gaps remain.

Education Attainment by council, (% of 16-64 year olds)



Across the corridor over 89% of the population have some form of qualification with 39% of its population having a qualification above NVQ4. BCC and L&CCC have the highest percentage of population with a qualification above NVQ4. This is a main component for L&CCC having the best skills profile of any council area in NI.

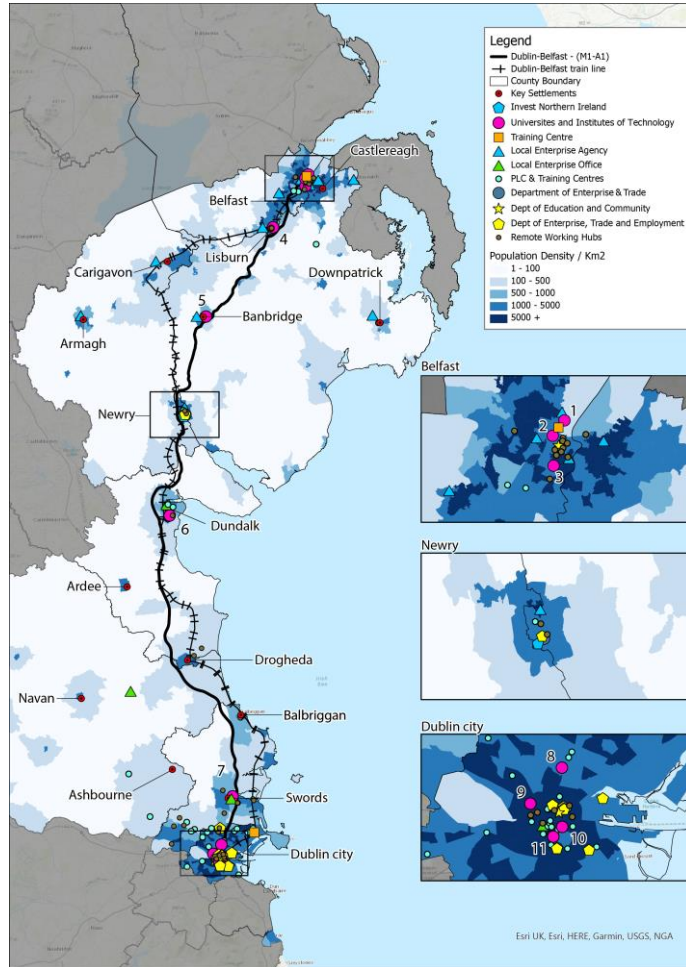
## Baseline profile

- The Corridor is home to a range of educational institutions including five university campuses, a technological college and an Institute of Technology. Just over 114,000 students were enrolled in these institutions in the 2020/2021 academic year
- This generates a pipeline of talent for the region’s economy, but retention of graduates remains an issue in some geographic areas. Many Northern Ireland students move to other parts of the UK to study and often stay in those cities to live and work after graduating. In 2020/21, 16,620 students from NI studied in England, Scotland or Wales
- The National Strategy for Higher Education (RoI) stated that 5,500 new entrants to higher education were international in 2015, increasing from 3,426 in 2009. In NI, Queen’s University Belfast has over 1,700 international students from over 80 countries and a further 2,000 studying at Ulster University. Whilst these numbers have decreased following the travel restrictions around Covid-19, uncertainty around EU Exit will likely increase the popularity of Ireland for international students
- With a growing population there is strong potential for the region’ future workforce. Strategic direction now can ensure there is a pipeline of talent for the workforce of the future
- Covid-19 has brought changes to working patterns, including a sharp rise in people working remotely. Enterprise Ireland has plans to develop 600 co-working and incubator spaces in the North-East region. Enterprise Northern Ireland currently manages 28 Local Enterprise Agencies, half of which are in the DBEC corridor, offering collaborative workspaces, hot-desks and meeting rooms. Catalyst and Innovation Factory also provide key support to entrepreneurs and start-up business. These can be a key facilitator for sharing skills between colleagues, collaboration between micro-businesses or hosting training sessions.

Sources: ONS Workforce Jobs; CSO Labour Force Survey; UUEPC analysis, HEA, Economy NI, Enterprise NI

# Skills (2/2)

DBEC can be the corridor's main skills coordinator and advocate for its talent internationally.



## Opportunities for DBEC

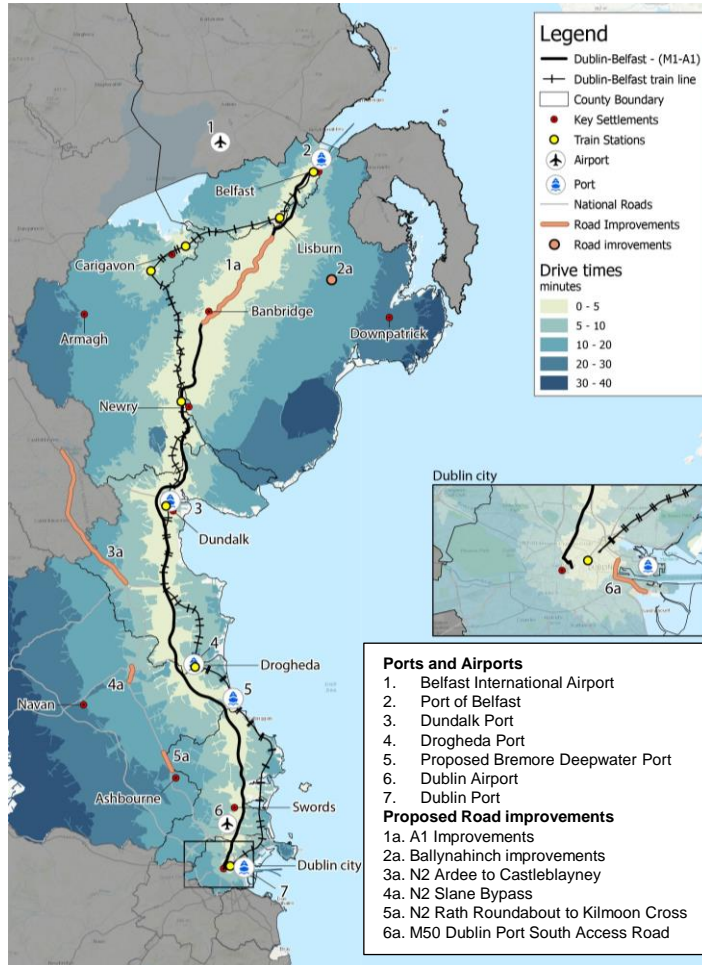
- Gaps in key skills are acting as a drag on overall economic growth, in particular in hospitality, construction, and ICT. There is an opportunity for a single entity to contribute to addressing these skill gaps and aligning stakeholders along the corridor (e.g. central government, education providers) around existing policy and aligning future skills needed to growing clusters (e.g. 10X Economy, Belfast Region City Deal, Skills Strategy for NI, Regional Skills Plans).
- Successful learnings from the Regional Skills Fora (RoI) and Labour Market Partnerships (NI) can be shared between the partnership councils
- DBEC can contribute to the development of skills across the corridor by encouraging and facilitating **clear communication between the private sector and education and training providers**, in particular for SMEs, and by co-ordinating training, lobbying central government, and providing funding. This will ensure that resources to upskill the workforce are targeted in areas where there is demand in the labour market
- A **Skills Barometer** can be developed to monitor the changing needs of the labour market, future demand and supply of skills along the corridor
- DBEC could **support employers to develop skills** in their workforce. This could include rolling out mechanisms involving education providers and employers to improve employability prospects and 'soft skills'
- There is marketing potential in **comparing the corridor's favourable university-educated rates vs. European norms**. This would encourage both investment in the corridor and development of clusters.

International corridors, such as Greater Phoenix, collect and provide useful regional labour market data to be used by businesses already in the corridor and those looking to invest. DBEC could replicate this function to facilitate information sharing of labour market trends.



# Infrastructure (1/2)

More infrastructure investment is needed to meet population and economic demand.



Sources: CSO, NISRA, NTA Rail Census Report (2019)

## Baseline profile

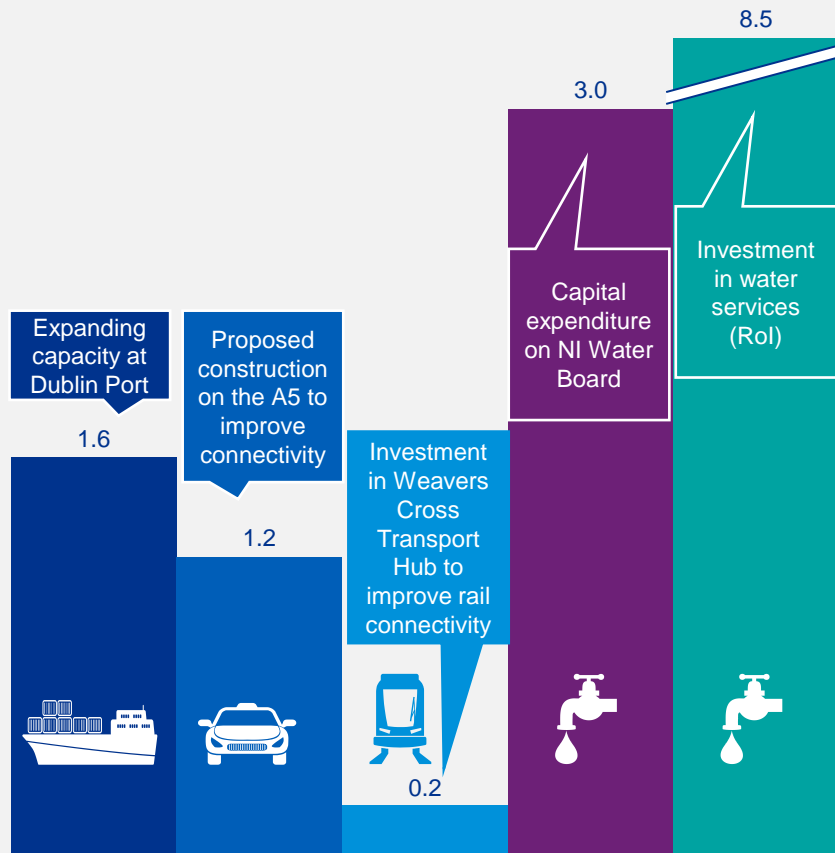
- The corridor is well-connected domestically and internationally, but its spread is narrow. Along the corridor, there are:
  - 3 airports** – Dublin Airport and George Best Belfast City Airport are in the corridor, with Belfast International Airport a short distance away. Whilst passenger numbers fell during Covid travel restrictions, they are expected to return to 2019 levels (handling 41.4 million passengers between them). Plans are in place to expand Dublin airport capacity for both freight and passengers
  - 6 seaports** - About half of Dublin Port’s trade is directly with the EU and the other half with the UK, a fall from two-thirds prior to EU Exit
  - 1 railway line** – Enterprise is jointly operated by Iarnród Éireann and Translink, providing 8 trains per day between Dublin and Belfast. In 2019, there were 1.1 million journeys on the line with plans to provide 9 new inter-city trains, increasing services to an hourly frequency
- The corridor has strong **broadband connectivity** north of the border with over 90% of the population having access to superfast broadband in NI. Rol is currently in the process of upgrading its network through the National Broadband Plan to deliver a high-speed broadband network covering 96% of land mass to improve broadband connectivity
- Investment in infrastructure is a priority with £1.6bn p.a. over the next 30 years earmarked under the **NI Investment Strategy** for roads, schools, hospitals, utilities and housing. The Irish government will invest a total of €165bn in infrastructure over the period 2021-30 as part of its **National Development Plan** which combined with the National Planning Framework sets the ambition for a more resilient and sustainable future under the longer-term strategy - Project Ireland 2040
- Housing and energy are two of the bigger strategic issues constraining economic growth facing all councils along the corridor.



# Infrastructure (2/2)

Investment in infrastructure has been a boon to the corridor, but more is needed to widen the corridor and attract business and tourists to areas in-between Dublin and Belfast.

Planned expenditure on selected infrastructure projects, €bn



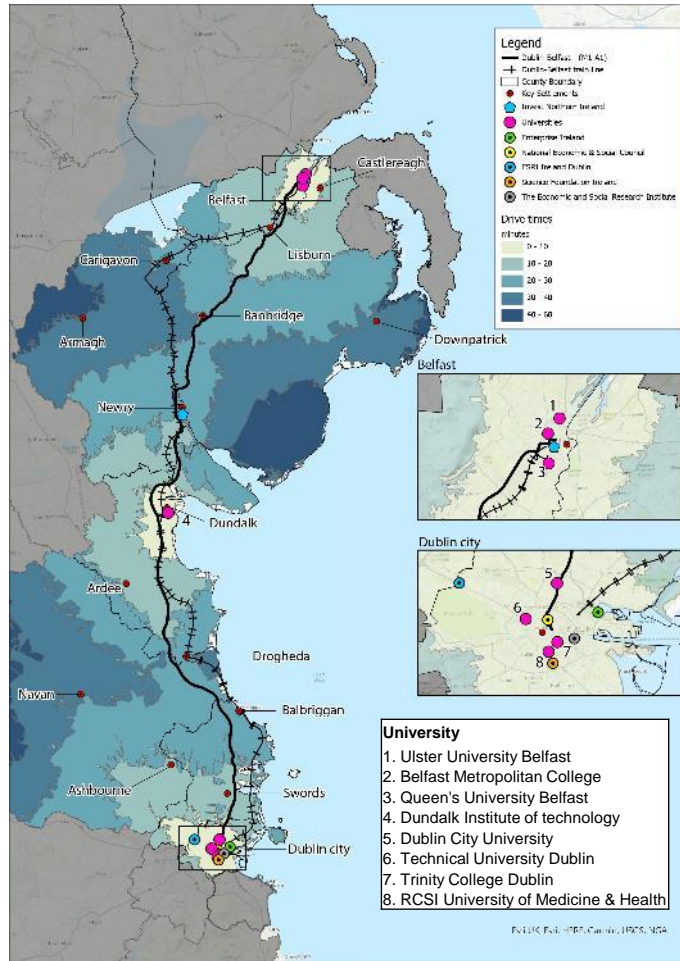
Notes: \*2017 data the most recent for NI  
Sources: DfI, Northern Ireland and TFI, Ireland, National Development Plan, Investment Strategy NI

## Opportunities for DBEC

- There is an **opportunity for DBEC to advocate for cross-border infrastructure**, to develop initial business cases, and to lobby relevant stakeholders to prioritise investment in infrastructure. DBEC can undertake gap analysis of required export-enabling infrastructure needed to support players with high growth potential in high-tech sectors, infrastructure needed to support growth and opportunities for renewable energy projects, such as the €2bn proposal for Bremore Ireland Port
- Both NI and RoI governments have committed spending for infrastructure and ensuring sustainable development. The **National Development Plan (RoI)** commits €360m for active travel programmes, to deliver 6,000 affordable homes each year, and to complete projects such as investment at Dublin port and replacement of the Dublin Belfast enterprise fleet. The new **Investment Strategy for Northern Ireland** calls out the need for collaboration across public bodies, private organisations and local communities to plan infrastructure developments. At the date of this report the investment strategy is to be confirmed however funding from the previous strategy delivered over 400 projects since 2011, spending £14.9bn on regional infrastructure. BRCD and MSW deal funding is to be put towards projects like Belfast Rapid Transit and Newry Southern Relief Road. DBEC could support the discussion of prioritisation of pipeline projects such as the West Link/Yorkgate Interchange, as well as industrial land and road schemes as part of MSW
- **An All Island Strategic Rail Review** will be completed in 2022 with the aim to “improve sustainable connectivity between the major cities, enhance regional accessibility, support balanced regional development and consider the potential to increase rail freight”. DBEC can be a key stakeholder in the implementation of recommendations from the review. This is currently under consultation and will review how railways are used, how they can evolve and promote sustainable connectivity.

# Research and development (1/2)

R&D opportunities along the corridor include financial services, IT, and pharmaceuticals.



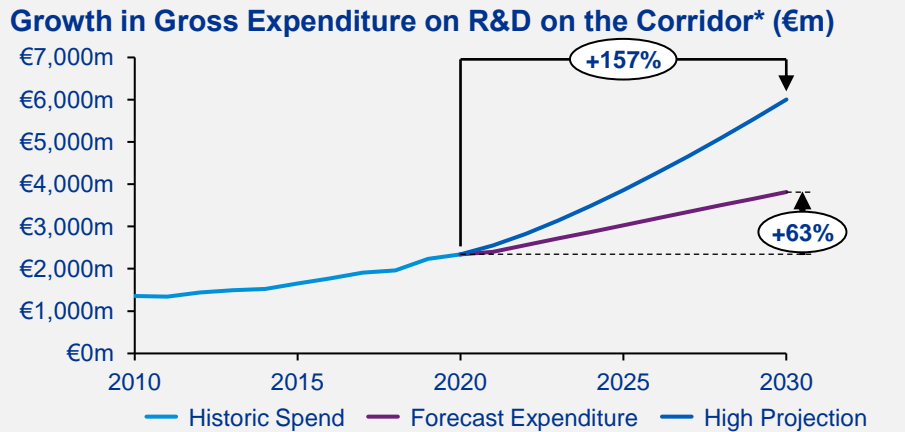
Sources: InterTradeIreland, OECD, DBEC report (UU/DCU), The Irish Times (06/12/2021)

## Baseline profile

- The corridor has clear strengths in a range of sectors involved in R&D and innovation, including life sciences, medtech, fintech, and software
- Both ROI and NI are strong in transnational research in **pharmaceuticals**. In ROI, this is concentrated in process research and development, while in NI the focus is on product research and development. Most of the current research centres, institutions and networks have primarily a national orientation. Some notable exceptions include the [US-Ireland R&D Partnership Programme](#), a number of [SFI-funded projects](#) which include a Northern Ireland company, and cross-border networks, such as the [North West Health Innovation Corridor](#) and the [Diabetes Network](#)
- In the **medical devices** sector, ROI and NI are home to complementary skillsets across research centres, software development, consultancy, and support services. Together, these can create strong opportunities to develop software and systems required to meet emerging market needs
- In the **software sector**, significant industry concentration is evident in both the wider Dublin and Belfast regions, with cross-border spurs at Dundalk-Newry. The sector presents significant spillover opportunities, as the merging of centred concentrations would constitute an internationally significant industry agglomeration. Nevertheless, only a small number of examples of cross-border research cooperation exist, such as that between the [Computer Science Research Institute \(CSRI\)](#) at the [University of Ulster](#), the [Biomedical Diagnostics Institute](#) at [Dublin City University](#), and the collaboration between [CSRI](#) and [Dundalk Institute of Technology](#). There is significant scope for enhanced cross-border interaction
- The existing **FinTech Corridor (FTC)** aims to be the primary driving force facilitating and promoting firms to expand along the corridor. Corporate partnerships with [DCU](#), [UU](#), [DkIT](#), and [QUB](#) boost collaboration between North-South industry and academia to advance education and innovation.

# Research and development (2/2)

## Business expenditure continues to drive R&D investments along the corridor



### Overview of R&D Spend

- In 2020, total R&D expenditure in RoI increased to an estimated €4.6bn, while R&D expenditure in NI was £0.9bn. Approximately 67% and 35% of R&D expenditure in RoI and NI respectively was spent along the DBEC corridor. This compares favourably to NI, RoI, and UK totals when adjusted for population, but an uplift of 164% to total spend is required for the corridor to compete with peer countries such as Austria
- Around half of all business expenditure on R&D in NI in 2020 can be attributed to the manufacturing sector (£325.7m, 49%), followed by the services sector (£292.1m, 44%). RoI R&D spend is highest in the services sector (~€2.0bn, 61%), followed by the manufacturing sector (€1.3bn)
- The US-Ireland R&D Partnership is a successful partnership between RoI, NI, and the US, described as “ground-breaking” by the Irish Times. As of December 2021, this programme raised \$140m and funded 73 projects across key sectors including agriculture, health, and engineering.

Notes: \*DBEC includes R&D from both the Eastern and Midlands Regions and the area of NI covered by the corridor  
Sources: CSO, NISRA, DETE, DBEC report (UU/DCU)

### Opportunities for DBEC

- Academic and industry research is clear that agglomeration benefits arise from R&D spend in specific geographic areas and there is some evidence of spillovers along the corridor, in particular near Dublin
- There is a gap in the corridor’s ecosystem for an entity to work with the R&D community, local authorities, and other public agencies to secure higher levels of FDI and encourage indigenous business growth across the region (e.g. life sciences, advanced manufacturing and ICT). A significant opportunity exists for DBEC to be the voice for R&D investment along the corridor, highlighting particular sector clusters and collaborative opportunities through hosting events, liaising with the IDA/INI, and engaging with SFI and EU bodies on R&D funding opportunities
- Specific areas that DBEC could work with include:
  - The Fintech Corridor, an example entity that is sector-focused
  - Wider roll-out and availability of Smart Cities initiatives, such as Small Business Innovation Research
  - Provision of incubation space by various HE institutions along the Corridor (Alpha in DCU, the RDC in DkIT, etc.), which offers an opportunity for the development of networks and shared programmes and offerings between the centres and their tenants
  - Research centres – some with a sectoral focus such as advanced manufacturing, software development or clinical trials, and others which have a more general application, modelled on accelerator centres in Fingal or Belfast’s Innovation Factory

**If the current trends are maintained, R&D expenditure along the DBEC corridor is expected to reach €4.7bn by 2025.**

**dublin  
Belfast**  
ECONOMIC CORRIDOR

# Sector Growth

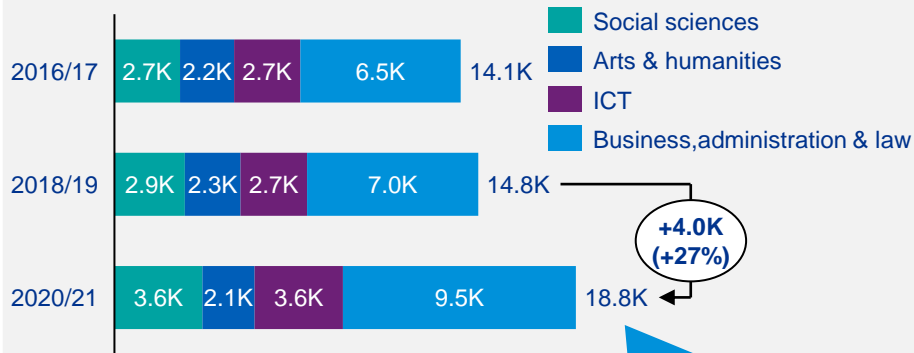




# Professional Services and ICT

**Strong uptake in professional services students will assist with offsetting the skill shortage.**

**New entrants for higher education for professional services in the corridor, 2016 to 2021**



Recent uptick in new entrants is positive for pipeline of graduates in the medium-term

**“Lisburn tech company aiming for 300% growth in next year is creating 80 new jobs”**  
Belfast Telegraph, 06 Jul 2022

**“Tech is Ireland’s most productive and highest waged industry, according to CSO data”**  
Independent, 25 May 2021

**“Intel plans to create a further 1,600 jobs with an additional investment of €12bn hailed as a jobs boost for Meath”**  
Meath Chronicle, 23 Mar 2022

**“Belfast listed as the world’s third biggest fintech centre for the future”**  
Financial Times, 20 Jul 2021

## Overview

- The corridor has seen considerable growth in ICT, financial services and professional services over the past decade, with an average 5% growth in employment between 2008 and 2019 across the Island of Ireland and almost half of those jobs located in the corridor
- The region has a strong reputation for professional services with approximately 45% (220,000) of jobs on the island of Ireland based along the corridor
- Growth can be expected to continue in the base case out to 2030, through a combination of FDI, SMEs, and start-ups. Increasingly, technology is permeating other sectors, and the most successful economies will be at the forefront of cross-sector collaboration
- There are opportunities for DBEC to make a contribution to growth in the professional services sector through:
  - Collaborating with entities such as the Fintech Corridor to create a fintech sandbox for the corridor similar to the Arizona's Fintech Sandbox
  - Connecting businesses across the corridor supply chain opportunities
  - Promoting the region to skilled graduates and attracting labour from other areas.

**Key players along the corridor include:**

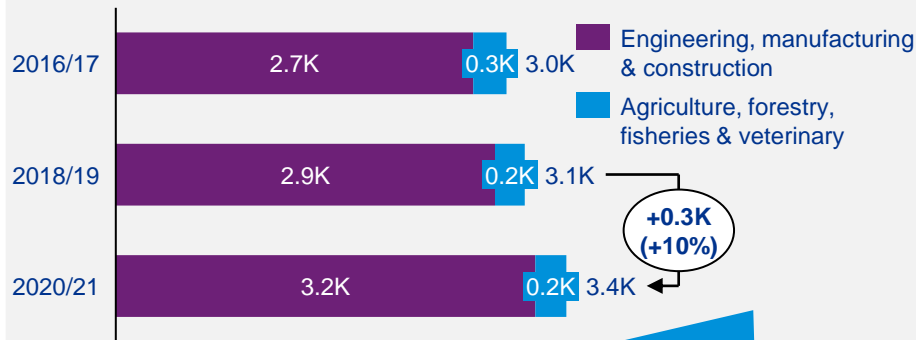


Sources: ONS, CSO, NISRA, HEA, Economy NI, KPMG analysis

# Advanced agriculture and manufacturing

DBEC can encourage the corridor's existing agriculture and manufacturing clusters.

New entrants for higher education for advanced agriculture and manufacturing in the corridor, 2016 to 2021



The enrolments for higher education for manufacturing and construction courses has increased in 2020/21 however advance agriculture enrolments have remained constant over the past 5 years.

**“Local Coke bottler invests £11m (€13m) in Lisburn factory as part of global recycling initiative”**

Irish Times, 2 Jul 2021

**“Lyons announces £9m project for local aerospace sector in Northern Ireland”**

Department for the Economy, 28 June 2022

**“The Advanced Manufacturing Technology Centre of Excellence (AMTCE) in Dundalk and Irish Manufacturing Research (IMR) in Mullingar have signed a memorandum of understanding (MOU) to boost the development of a national workforce skilled in advanced manufacturing”**

Silicon Republic, 26 Jan 2022

Sources: CSO, NISRA, HEA, Economy NI, KPMG analysis

## Overview

- In 2021, the manufacturing sector accounted for ~93,000 jobs along the corridor (9% of DBEC employment). With a strong manufacturing growth outlook, job numbers along the corridor can be expected to grow by 30% by 2030. On a policy level, advanced manufacturing is a key area of focus in particular for the NI councils with Industry 4.0 being a key focus within the City Deal
- The agriculture sector accounts for ~10,100 jobs (2% of DBEC employment) but has seen little growth over the past decade and is forecasted to stay constant between 2021-30. AFBI and Teagasc are key players for agri R&D and knowledge transferring along the corridor
- Advanced agriculture and manufacturing sectors' footprints stretch from the city centres to rural hinterlands and both sectors offer opportunities for further innovation, investment, and jobs growth. Strong agri-food clusters are located in L&CCC, ABC, LCC (with the aquifer attracting multiple MNC) and advanced engineering/aviation clusters located in BCC, L&CCC, ABC and FCC can be further developed to encourage growth
- There is an opportunity for DBEC to take practises from other economic corridors such as promoting the manufacturing sector through undertaking operating cost comparisons with other regions, hosting events showcasing new technologies, promoting the use and access of local supply chains and advocating for infrastructure improvements to improve logistics efficiencies.

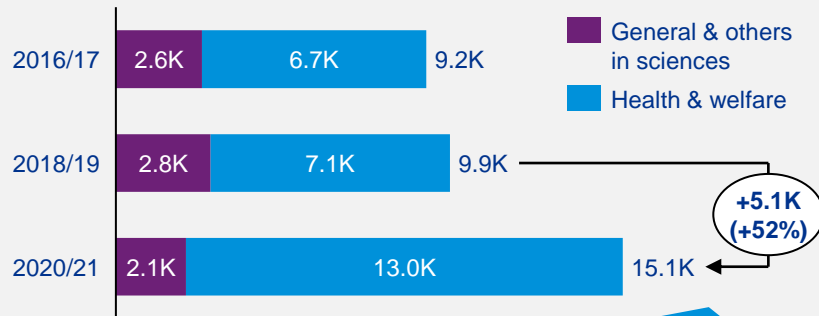
**Key players along the corridor include:**





## DBEC can promote cross-border clusters through skills collaboration and promoting R&D.

### New entrants for higher education for life sciences in the corridor, 2016 to 2021



There has been a significant increase in the number of new entrants studying health and welfare along the corridor. This increase is mainly from an additional 6,100 students in NI studying subjects allied to medicine in 2021 compared to 2017.

**“Dublin set to get a life sciences incubation and acceleration cluster”**

BioPharma Reporter, 10 Nov 2021

**“Belfast start-up MedAll has raised \$3.4m in seed funding to develop its training platform for healthcare workers and expand its global reach”**

Digital DNA, 6 Jan 2022

**“The Centre for Cancer Research and Cell Biology at Queen’s University Belfast has revolutionised cancer research”**

Invest in Belfast, 8 Jul 2022

### Overview

- The life sciences sector has seen rapid growth across the island of Ireland, as the island’s skilled labour force has attracted investment from world-class biotech, pharmaceutical and medical technology companies. The corridor is home to a wide range of businesses operating across these sectors, with employment in the range 8,000-10,000. These world-class biotech, pharmaceutical and MedTech companies provide well paid employment opportunities to highly skilled workers and generate economic spillovers indirectly across their supply chain
- This FDI has resulted in a strong, collaborative cluster of life science companies throughout the corridor that work closely with higher education institutions and research centres sharing best practice and innovative solutions. There are concentrations of pharmaceuticals clusters located in MCC, LCC, FCC, NMD and ABC
- However, there are some gaps in collaboration on a cross-border basis, and there is an opportunity for an entity such as DBEC to coordinate collaboration through its skills and R&D workstreams, through events, research, and advocacy, together with key partners (SFI, UU, DCU, DKIT, QUB and key private sectors companies).

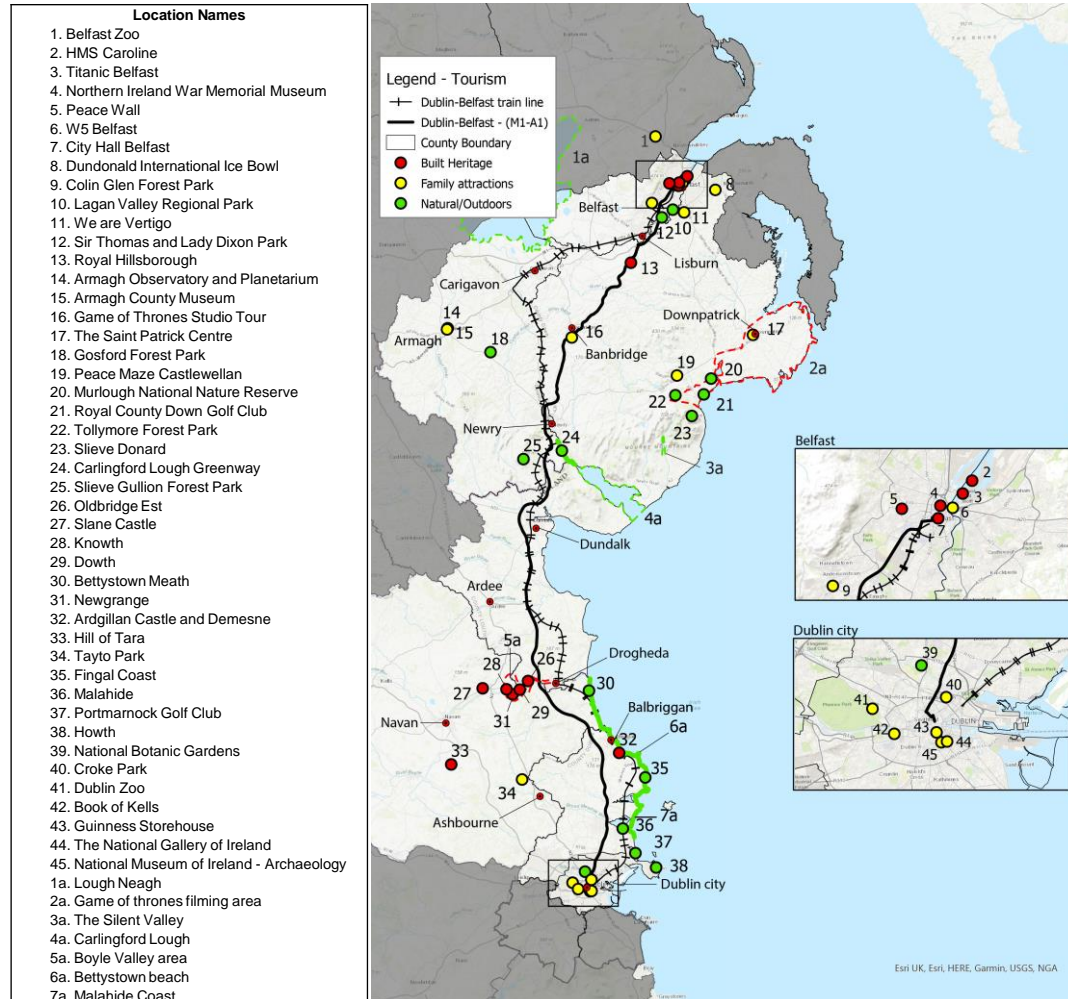
### Key players along the corridor include:



Sources: CSO, NISRA, HEA, Economy NI, KPMG analysis

# Tourism (1/2)

DBEC could support filling the gap in skills needed for the tourism industry to thrive.



Sources: CSO, NISRA, KPMG analysis

## Tourism Overview

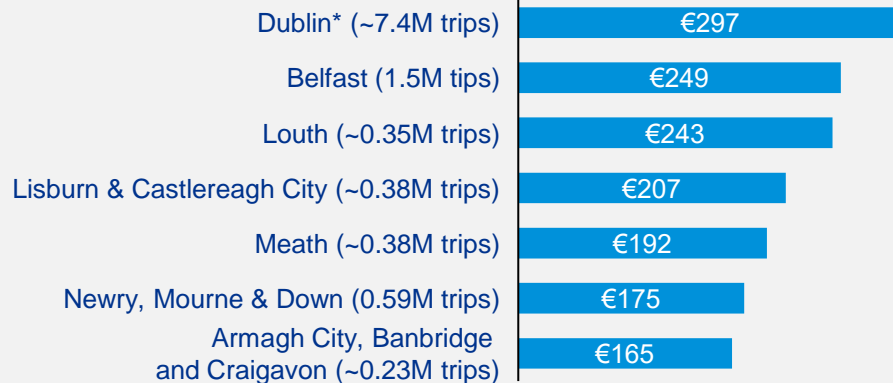
- **Dublin and Belfast attract the greatest number of annual visitors**, as well as the highest average spend per trip. The main reason for people visiting the cities is for city breaks, events, business conferences and food offerings, all of which can attract repeat business
- There are approximately 50,000 jobs in the tourism sector along the corridor. The industry saw a decrease in total employment in 2020 as a result of Covid. Whilst the number employed is starting to recover, there is a **skill shortage** of some key workers as a number of workers have retrained to work in a different sector. This led to long queues at Dublin Airport security in Q1 2022 as demand for travel returned faster than security staff could be trained
- Brexit may also result in additional impacts to the tourism skill shortage in NI with the reduction in EU citizens less like to live and work in NI
- DBEC could support growth along the corridor by providing **training** to upskill people in the tourism industry. **Policies** could also be developed to attract skilled tourism workers to the corridor through adequate housing provision, employment security and long-term career opportunities.

Tourism NI, Failte Ireland and Tourism Ireland collaborate to play a key role in marketing the island of Ireland, supporting the tourism industry and developing tourism. DBEC will not duplicate their work, take away their responsibilities or contradict their aims. DBEC will add value to the existing set-up, focusing specifically on skills needed for the Dublin Belfast corridor.

# Tourism (2/2)

## Tourist attractions can also improve quality of life for local residents.

### Tourism average spend per trip by LGD



### Sample of most visited attractions in DBEC (annual visitors '000)



Notes: \*Dublin includes the four Council areas in County Dublin. No. of annual trips are pre-Covid  
Sources: Data from Fáilte Ireland and Tourism NI

### Tourism Overview

- In some Council areas, such as **ABC, LCC, and MCC**, there is an **emphasis on 'niche areas' of tourism**, such as heritage attractions, water-based and other activities, and food trails. However, there is also a lack of high-end hotels outside of the main urban areas
- Top tourist stops** along the corridor that receive the most visitors include the Guinness Storehouse, Titanic Belfast and Dundonald International Ice Bowl. A new Game of Thrones studio tour has been established in Banbridge. It was estimated that pre-covid 350,000 people visited NI ever year to see the filming locations
- Tourist attractions are also of **interest to local residents** and can attract new people to live, work and socialise in an area
- From Stage 1 consultations, a number of ideas to further develop tourism in the corridor were suggested. DBEC can work with Fáilte Ireland, Tourism NI, Tourism Ireland to attract investors and/or develop these ideas. They include:
  - Destination hotels in the corridor
  - Advertising the green infrastructure along the corridor
  - High-quality waterpark, theme park and regularly opening castles
  - Golf course pass card or package tour.

DBEC could promote packages which combine multiple attractions along the corridor, therefore attracting tourists from further afield as they can combine their trip to visit several sites. Suggested itineraries could be produced for different lengths, themes or target audiences.

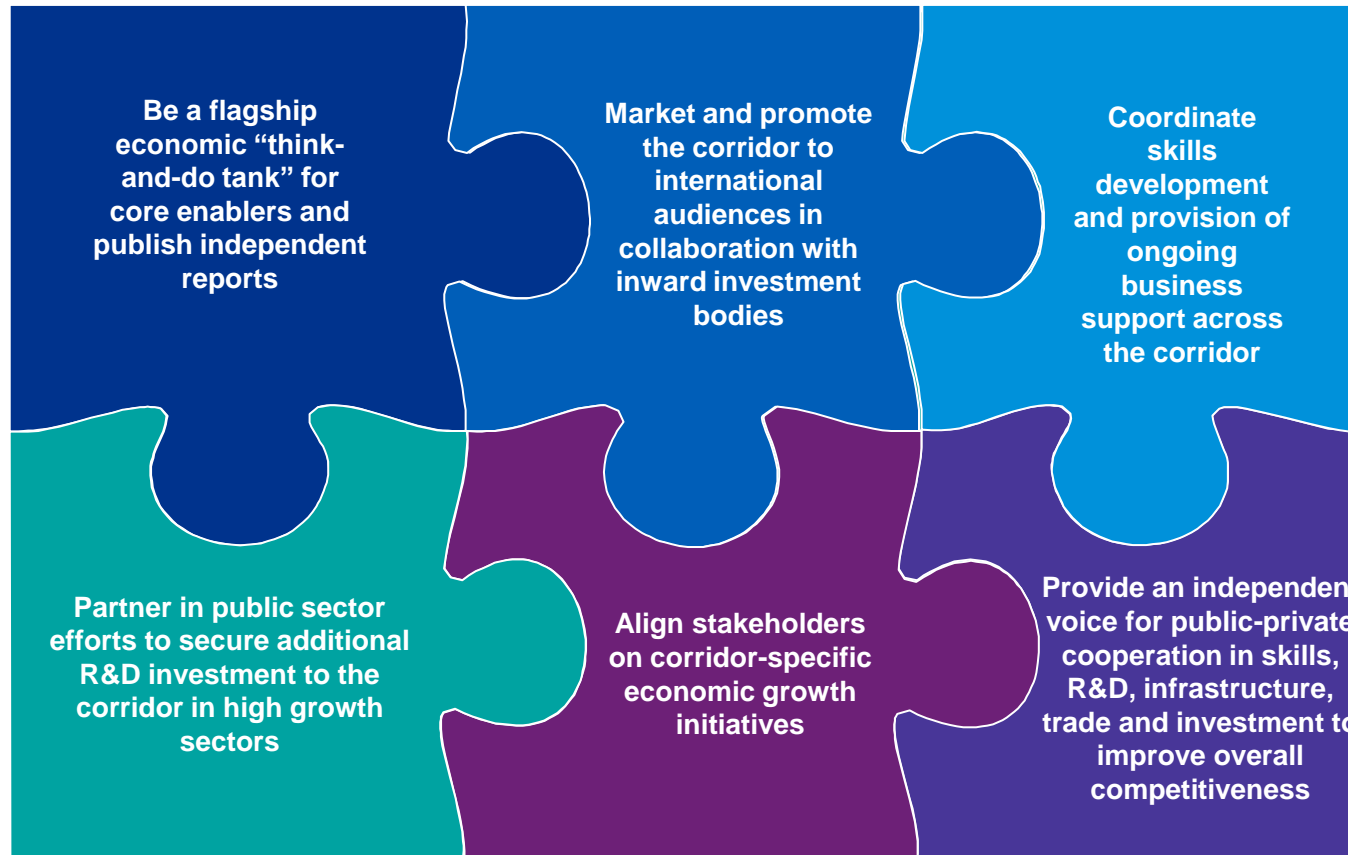


# Ways of Working

# Potential role for DBEC

**DBEC's focus will lie beyond what existing bodies are doing on national and regional levels.**

Potential key roles for DBEC across the corridor's economic development ecosystem



In the context of the key enablers **skills, infrastructure and R&D**, there is opportunity for DBEC to align and collaborate with stakeholders on corridor-specific economic growth initiatives.

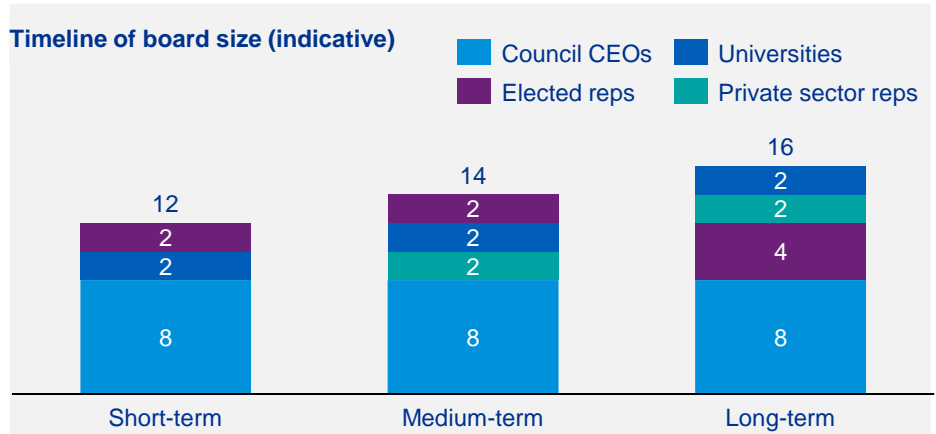
DBEC can use its independent voice to play a vital role in economic growth and overall competitiveness across the corridor, NI, and RoI.

To deliver successfully, the DBEC partnership will need to work effectively. Success in three core pillars **delivery, governance and resourcing, and communication and marketing** will enhance delivery of actions undertaken.



# Governance

DBEC's governance structure will evolve as the partnership becomes established.



Comparators' legal structures

	MOU	Company (Ltd/Unl.)	Non-for-profit	Statutory body
Greater Phoenix Economic Corridor	✓		✓	
Greater Copenhagen	✓	✓		
Research Triangle Regional Partnership	✓		✓	
East Border	✓	✓		
Oxford-Cambridge Arc	✓			
Safefood				✓
Waterways				✓
InterTrade				✓
SEUPB				✓

Sources: KPMG consultations; comparators websites and annual reports

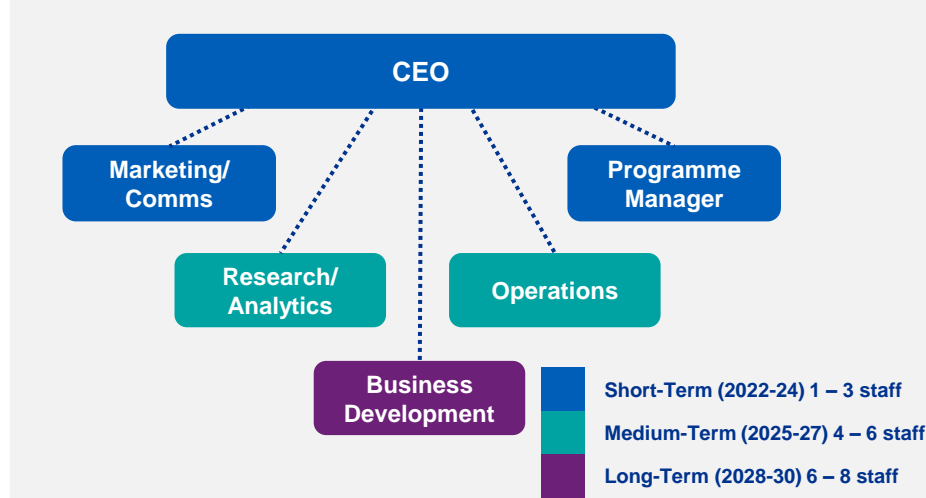
## DBEC Ways of working

- In the short-term, **DBEC will be located alongside a member council.** This is to ensure that DBEC has access to and can leverage existing resources and facilities, and can build its network utilising the host council as a base. It can be established with a bottom-up governance structure, largely based on the current structure, comprising of 12 members initially (eight CEOs from the councils, Chair and Vice-Chair of the Political Oversight Committee, and two representatives from the partner universities)
- During the partnership's first 6 months to a year, it is recommended that DBEC remains an **informal partnership model** based on a Memorandum of Understanding, with a view to exploring independent legal status for the Partnership later. While establishing DBEC as an independent entity is a short-term priority, it is not an immediate requirement. Other factors, such as the funding and the entity's home base, also impact on legal structure
- In the medium to long-term, once the partnership is established, it is anticipated that **DBEC's board** will grow. Indicatively, we have suggested that two private sector body representatives are considered for inclusion on the board, meaning that DBEC's board would evolve into a hybrid board model with up to 16 board members. The private sector board members would act as champions for DBEC promoting the partnerships and corridor
- Additionally, DBEC could consider establishing **advisory boards** for key projects. These advisory boards would include representatives of the private sector in the respective thematic area and be similar to the model currently being used by other enterprise development agencies.

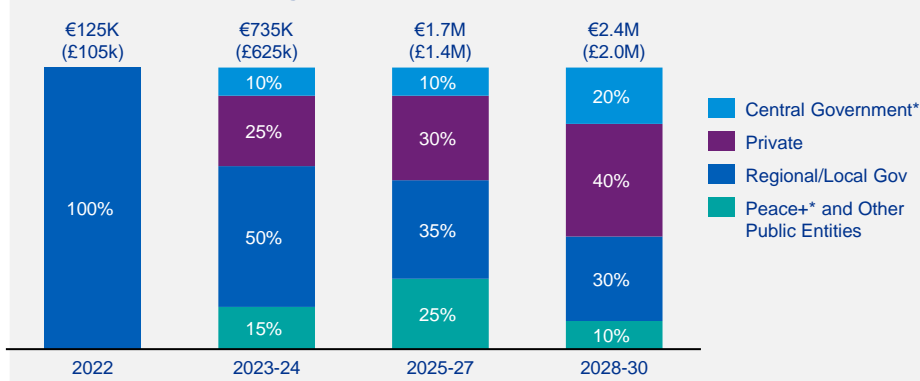
# Resourcing

Resourcing will evolve over the forecast period, with more specialisms added year on year.

DBEC partnership resourcing (indicative)



Illustrative DBEC funding sources (indicative)



Notes: Council contributions funding is to be determined on the basis of each council's share of the total population, reviewed every 3 years  
 Sources: KPMG consultations; comparators websites and annual reports

## DBEC Ways of working

- **In the short-term (2022-24)** DBEC partnership's plan is to hire 2 staff initially and potentially a 3<sup>rd</sup> joining in 2023 with roles covering a Programme Manager, an Partnership Officer and a CEO. Staff are anticipated to be based at a host council to allow DBEC to make full use of the resources at hand. The main focus for the staff will be brand establishment, applying for funding through EU and other sources, organising networking events and setting up advisory groups. Indicative total funding requirements are from €735,000/£625,000 for 2022-24 and will be sourced primarily from regional and local government budgets
- **In the medium-term (2025-27)**, DBEC will have secured its own offices and can appoint research or analytical staff to grow the team to 6 by 2027, dependent on its performance against KPIs. At this point, the key focus will be to provide reports on research and development, skills and labour, and tourism. These reports will provide a strong basis of information for businesses in the corridor, allow for identification of issues or gaps in the market the partnership can assist with and can also be used to attract further FDI. Indicative funding requirements over the medium-term (2025-2027) are from €1.7m/£1.5m (total over 3 years). Funding will come from a mix of public and private sources
- **In the long-term (2028-30)**, subject to performance, DBEC's team could grow to 8 people, with additional hiring of staff focused on research and businesses development, as well as thematic development of infrastructure, trade and investment, and manufacturing, amongst others. Indicative funding requirements over the long-term are from €2.4m/£2.0m (total over 3 years, 2028-2030). Funding from private sources and central government will increase, reducing the proportion coming from regional and local government budgets.

# Communication

As the DBEC partnership grows, communication methods will adapt to reach stakeholders.

## Developing a communications plan

- 1
  - Identify **target audiences** and stakeholders to create an extensive contact list of entities in the corridor. Audiences may include internal, external, primary, secondary, domestic, and international organisations
  - Establish key metrics for evaluation and targets
- 2
  - **Engage with stakeholders** to establish opportunities, challenge and common themes. Consider international perspective in messaging
  - Identify content leads / authors / spokespersons
  - Narrow down the key issues the content will address and key messages to be communicated
- 3
  - Identify the **relevant channels** for key messages
  - Ensure channel selection is suitable to reach identified target audiences
  - Coordinate announcements with partner organisations
- 4
  - Illustrate **ambition** for the content
  - Develop a brand creative
  - Develop assets e.g. Blog / video / podcast / memes etc.
- 5
  - Develop schedule for **content roll-out**
  - Ensure strong relationships with organisations and stakeholders
  - Undertake an annual stakeholder satisfaction survey to track views and perceptions of DBEC's progress

## Communications methods

It is suggested that the DBEC partnership use combinations of:

- Traditional website, print and broadcast platforms
- Blogs, podcasts, video, photography
- Digital advertising, LinkedIn, Twitter and Instagram to bring content to life for a broad range of audiences

Using a mixture of content streams will help ensure the DBEC message reaches the right audience, delivered through the right channels. We suggest the partnership has the following short-term targets:

- Use available databases to create an outreach list of mid-sized companies, private equity or venture capital backed players
- Hire a resource to advocate for the corridor, promote key sectors and to advertise the corridor as a great place to live and work
- Connect local companies and foreign companies with business advisory services.

DBEC and its constituent member councils will need to agree on the type of content to be shared and the balance across councils.



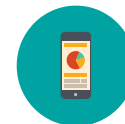
Print media



Podcast



Events



Social Media



Video



Webinar

# Marketing (1/4)

DBEC has four audiences to target which would each require a unique marketing approach.

## International companies

**Target:** International companies that are looking to expand their operations through foreign direct investment. This can be achieved through establishing themselves in DBEC either through acquisition or opening a new branch or plant



## Local private businesses

**Target:** Businesses located along the corridor that would benefit from collaborative R&D, greater access to a skilled workforce and infrastructure improvements. Promoting research that is undertaken to these businesses will facilitate and encourage their participation



## Public Sector

**Target:** Public sector entities DBEC will be collaborating with or receiving funding from. DBEC will need to promote the partnerships' activities to help maintain public sector and government support and keep a steady stream of funding opportunities



## Skilled workers

**Target:** Skilled workers located outside the corridor as well as recent graduates can be attracted to join the corridor's workforce. This can be achieved by promoting the quality of life, local attractions and providing information for new residents

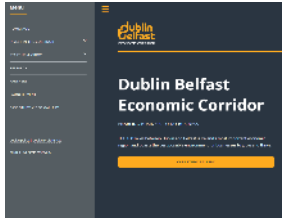


What we want to be world renowned for: A major international centre in growth sectors like Professional Services, Advanced Manufacturing, ICT, Life Sciences and Advanced Agriculture

# Marketing (2/4)

DBEC can build on existing marketing to promote the corridor to each target group.

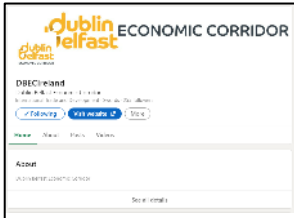
## Current marketing strategy



KPMG undertook an outside-in review of DBEC's current marketing and communications found that whilst each medium has useful content, the social media platforms could be used more effectively to generate interest and provide timely updates.

DBEC communications used are:

- **Website** has a lot of useful content on the strengths of each council, as well as links to resources, research and reports
- The DBEC Ireland **Twitter account** was used to launch the report and promote meetings happening initially, with the video report being re-tweeted 136 times. However, it has been inactive since March 2021
- The DBEC Ireland **LinkedIn page** was also used to promote the report and early meetings, attracting 255 followers. However, recent updates have been limited and the page is hard to find
- **The DBEC YouTube channel** has videos of several case studies and the first board meeting. However, each appears to have minimal views and new content has not recently been added
- **DBEC printed communications** are recognisable with good branding.



## Opportunities for DBEC partnership

### Update the website to include:

- A map that provides the boundary of the corridor and lay of the land. This is particularly important for international parties without local knowledge
- Key statistics on the corridor such as economic growth forecasts, demographic information and labour market indices
- Additional information around the partnership's role, vision and objectives
- Contact details or function to enable stakeholders and interested parties to get in touch
- Improve search engine optimisation to increase online reach

### Use Twitter to regularly post content on:

- Key events such as trade shows, conferences and workshops happening in the corridor
- Promote companies and core industries

### Create a LinkedIn page to:

- Hire talented staff to work for the DBEC partnership
- Promote the work of DBEC to a professional audience

### Expand current digital marketing reach by:

- Undertaking targeted marketing campaigns by specific persona
- Attending and presenting at events
- Providing printed content e.g. articles and thought leadership pieces from member councils' Chief Executives.

DBEC partnership is due to hire resource to start in late 2022 and can build on the marketing work undertaken to date.



# Marketing (3/4)

DBEC could learn from international corridors who use a range of marketing techniques.



## Reach people on their preferred medium

**How**

- Target people on different social media platforms where they spend time
- Develop materials such as research reports and podcasts (e.g. interviews with businesses, public entities) which can deliver entertaining content to engage with the audience



## Use marketing spend effectively

**How**

- Use available council marketing resources where possible. Consider the use of external marketing support to ensure consistency of message in the short term
- Promote the corridor and partnership at conferences and events to generate branding interest



## Promotion and advertising material

**How**

- Invest in appropriate promotional activities such as networking events
- Cast a wide net to ensure resources and research materials produced by the partnership are getting good coverage



## Consistent messaging

**How**

- Set and uphold brand guidelines (colour, theme, format, structure, logo placement)
- Organise marketing assets, repurpose quality content and keep a consistent marketing schedule to build reputation and recognition of the DBEC brand



## Instant delivery of heavy information

**How**

- Create easy to digest visual or audio materials to deliver messages and generate interest
- Use as summaries to supplement other published content or as stand alone advertising material



## Increasing DBEC's material impact

**How**

- Develop impactful content by focusing on the problem statement for the target audience and how DBEC can answer these issues
- Create effective content by condensing information to a digestible length

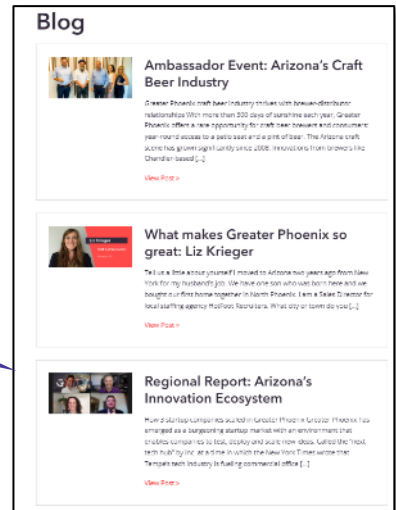
# Marketing (4/4)

Examples of marketing from other international corridors shows a range of communication.

Greater Phoenix Economic Council provides an **operational cost comparison**



Greater Phoenix Economic Council has a **blog** of up-to-date news and events in the region



Research Triangle Partnership has a function that **translates its website** into eight different languages



Greater Copenhagen sponsors and presents at conferences such as the H22 City Expo

Sources: Greater Phoenix Economic Council

# Actions

# Skills enabler actions



DBEC can work collaboratively to identify skills gaps and develop interventions to fill them.

Objective: to have a skilled labour force which can meet the demands of the labour market to drive economic growth

Action	Short-term	Medium-term	Long-term
Skills barometer	Develop a DBEC <b>skills barometer</b> . This will monitor the changing needs of the labour market, measure future demand and supply of skills, and benchmark existing attainment levels	Develop a <b>skills policy and strategy</b> . Consider existing skills strategies and enterprise plans for overlap and ideas, such as the Dublin Regional Skills Forum and Enterprise Plan. Use these examples to develop a clear process for identifying and tracking relevant skills shortages to continually monitor the changing needs of the labour market	
Skills development	Identify the <b>barriers to skills development</b> , such as funding, residency requirements or unclear career progression	Develop the <b>skills needed</b> to support the labour market based on a coherent plan for developing skills along the corridor, attracting skilled labour and retaining graduates. Actions could include developing centres of excellence for specific training, hosting workshops and supporting knowledge sharing and capability building programmes. Investigate opportunities to deliver training through associated bodies, bring in best practice examples and develop pilots to test innovative training processes	

Collaborating with DfE, HEA, InvestNI, Intertradelreland, SRC, Labour Market Partnerships, Skillnet, ESRI and IBEC, as well as universities DCU and UU

These actions are initial ideas for consideration. They will be reviewed and further developed as part of the next stage of KPMG’s work to inform the DBEC Action Plan



# Infrastructure enabler actions



DBEC can support the identification of infrastructure needs and coordinate a targeted response to resolve them.

Objective: Advocate for cross-border infrastructure needed to create a well-connected, high-quality of life corridor.

Action	Short-term	Medium-term	Long-term
<b>Development gaps</b>	Begin the exercise of <b>identifying infrastructure gaps</b> . Appoint qualified team to lead the review	Map assets with <b>development potential</b> to gain a greater understanding of infrastructure needed to unlock the land, i.e. planning processes, water and sewerage services. This will cover a broad range of areas, including expansion of coastal pathways, investment to accommodate electric and autonomous vehicles, and active transport modes	<b>Conduct transport modelling and analysis</b> to inform options development, priorities and infrastructure needs assessment. This would support integration with existing proposals, green infrastructure and long-term plans
<b>Business cases</b>	Review available internal supports from within councils that DBEC could draw on and learn from to help develop the capacity to create business cases	Lead the <b>development of infrastructure business cases</b> to inform wider strategic decision-making amongst policymakers	Collaborating with Department of Transport (RoI), Department for Infrastructure (NI)
<b>Amenities</b>	Begin understanding <b>improvements to infrastructure amenities</b> needed to generate high-quality of life	Conduct a <b>scoping of opportunities</b> for innovation hubs, development of shared office spaces, and branded offerings. Identify amenities needed to promote the region to local, national and international audiences, encouraging inward investment and returning entrepreneurs	

These actions are initial ideas for consideration. They will be reviewed and further developed as part of the next stage of KPMG’s work to inform the DBEC Action Plan



# R&D enabler actions



DBEC can coordinate R&D efforts along the corridor to increase potential reach.

Objective: Support and collaborate with organisations along the corridor to succeed in conducting R&D



Action	Short-term	Medium-term	Long-term
Network	<p><b>Create an outreach list of high potential innovative SMEs</b> in priority sectors based along the corridor; engage with senior Executives about DBEC's role in promoting the corridor and wider R&amp;D opportunities</p>	<p>Pioneer <b>regular trade events</b> to showcase relevant technology, promoting companies identified and inviting others as relevant attendees. Coordinate cross-border opportunities for R&amp;D, shared funding applications, and encourage collaboration between businesses and public organisations</p>	
Circular economy	<p>Conduct a <b>Circular Economy feasibility assessment</b> for the corridor. Consider whether current solutions being considered by Dublin and Belfast could be expanded to other areas in the corridor</p>	<p>Investigate the feasibility for <b>waste infrastructure projects</b> which could support concepts associated with upcycling, waste segregation and eco-friendly treatments</p>	<p>Collaborating with: IDA, INI, SFI, US Ireland R&amp;D Partnership, Innovate UK, UKRI. Use of Shared Island funds</p>

These actions are initial ideas for consideration. They will be reviewed and further developed as part of the next stage of KPMG's work to inform the DBEC Action Plan

# Ways of working actions



Early momentum is needed to embed effective working patterns.

Objective: Ensure DBEC has the resources and direction needed to effectively deliver on its ambition			
Action	Short-term	Medium-term	Long-term
Delivery	Implement a <b>collaboration agreement</b> for all local authorities to agree to. Arrange a programme of activities for the first year	Organise presentations for <b>councils to share initiatives</b> with other council officers and elected members to explore expansion of successful initiatives along the corridor	
Resources and Governance	Appoint a <b>Programme Manager and Partnership Officer</b> to lead the DBEC partnership team	<b>Build capability</b> of the team. This could include visits with other economic corridors to learn from their experience. When needed, hire additional personnel to lead on research activities and funding applications	
	Identify current and potential future <b>opportunities for funding</b> . Initially, these could include Shared Island Fund, PEACE PLUS, Levelling Up, Shared Prosperity, Intertrade Ireland and Local Authority Development Funding		Coordinate and, where appropriate, <b>apply directly for funding</b> from different sources. Deliver strong applications which promote the ambition of DBEC and secure the required funds to deliver on identified actions
Marketing and Communications	Develop a coherent <b>marketing and communications strategy</b> with a clear editorial line. Initially, this could include a document setting out the benefits of the corridor, dedicated communication channels and consideration of comparator corridors to learn lessons from		<b>Promote the corridor</b> as a great place to live and work using a range of communication channels to deliver a consistent message. This should include international promotion of the corridors' aspirations at events such as MIPIM Property Event and Dublin Tech Summit  Securing a position on relevant international regional/city growth boards for pilot initiatives e.g. AAM
These actions are initial ideas for consideration. They will be reviewed and further developed as part of the next stage of KPMG's work to inform the DBEC Action Plan			

# Shorter term priorities

**Immediate actions undertaken in the first 6 months will launch DBEC and generate momentum for the partnership.**

<p><b>Skills</b></p>	<p>Develop a <b>DBEC skills barometer</b>. This will monitor the changing needs of the labour market, measure demand and supply of skills and benchmark existing attainment levels.</p> <p>Identify the <b>barriers to skills development</b>, such as funding, residency requirements or unclear career progression.</p>
<p><b>Infrastructure</b></p>	<p>Begin the exercise of <b>identifying infrastructure gaps</b>. Appoint qualified team to lead the review.</p> <p>Begin understanding <b>improvements to infrastructure amenities</b> needed to generate high-quality of life.</p>
<p><b>R&amp;D</b></p>	<p>Use available <b>databases to create an outreach list</b> of small and mid-market companies, private equity or venture capital backed companies to build understanding of the global supply chain and identify the role DBEC could play within it.</p> <p>Conduct a <b>Circular Economy feasibility assessment</b> for the corridor. Consider whether current solutions being considered by Dublin and Belfast could be expanded to other areas in the corridor.</p>
<p><b>Ways of working</b></p>	<p>Implement a <b>collaboration agreement</b> for all local authorities to agree to. Arrange a programme of activities for the first year.</p> <p>Appoint a <b>Programme Manager and an Partnership Officer</b> to lead the DBEC partnership team.</p> <p>Identify current and potential future <b>opportunities for funding</b>. Initially, these could include Shared Island Fund, PEACE+, Levelling Up, Shared Prosperity, Intertrade Ireland and Local Authority Development Funding.</p> <p>Develop a coherent <b>marketing and communications strategy</b> with a clear editorial line. Initially, this could include a document setting out the benefits of the corridor, dedicated communication channels and consideration of comparator corridors for lessons learned.</p>

**These actions are initial ideas for consideration. They will be reviewed and further developed as part of the next stage of KPMG’s work to inform the DBEC Action Plan**

# Appendix 1 – SWOT Analysis

# Delivery of DBEC objectives

Whilst DBEC will be operating in a complicated environment, there are clear opportunities to be realised from a collaborative partnership.

## Strengths

S

- **Strong presence of multinational companies** and a variety of businesses provides opportunities for international skills development. Currently, across the corridor 86% of the population have some form of qualification and there are several higher education institutions educating over 100,000 graduates per annum
- **High coverage of full fibre broadband** in NI, with over 90% of the population having access to superfast broadband and good access in RoI. Continued investment in Project Stratus and National Broadband Plan is likely to improve connectivity in some areas
- **Positive economic outlook** for RoI and NI in the short-term with forecasts anticipating growth of 3-5% up to 2023 will support investment in R&D. Collaborative cross-border working and high levels of cross-border trade are already taking place (€6.2m or £5.2m in 2021), joint funds and shared political will can drive improvements in R&D.

## Weaknesses

W

- Throughout the corridor there is currently a **shortage of workers** for a wide range of different skills from tourism/hospitality, manufacturing, construction to professional services
- Across both NI and RoI there is a **shortage of housing** contributing to high rent prices and housing prices. This could result in the corridor being a less attractive place to live and less appealing for skilled workers. The cost of living over the past year has dramatically increased due to higher energy and rental price. If the cost of living further increases it is likely to result in an increase in wages and the corridor becoming less competitive
- A number of business within the corridor have been set the challenge of **reducing or offset their carbon emissions**. Ireland is exposed to **shifts in international investment appetite** as an FDI-led export growth model; there is a lower ability to rely on tax competition in light of OECD/EU tax reforms. These pose a challenge for some business to access the funding need to undertake R&D.

## Opportunities

O

- **Local Authority employees are skilled in cooperating effectively.** Existing cooperation amongst local authorities along the Corridor is strong, with several joint initiatives in place (e.g. East Border Region)
- **Rail reform and the All Island Strategic Rail review** aim to improve accessibility and services by rail between Dublin and Belfast. Targets set by Irish Government and NI Executive create investment and growth opportunities in **green technology and hydrogen**, including opportunities for advanced air mobility. These could both present significant shifts in infrastructure development along the corridor. Many businesses are embracing a hybrid working model and increasing popularity for remote working hubs
- **US-Ireland Research and Development Partnership** has established a ground-breaking alliance between RoI, NI & USA. Since 2006, they have collaborated on 73 R&D projects valued at £99.4m (€117.7m). Additionally, RoI R&D tax credit allows a 25% tax credit for qualifying expenditure in addition to a 12.5% tax deduction for the R&D.

## Threats

T

- Continued **buy-in from stakeholders** on the corridor is vital for DBEC's success. A fall in backing for the Partnership could hinder the entity's contribution to economic growth. Support is dependent on hiring the right team with the right skills to take the DBEC partnership forward
- Both sides of the border it has been reported that property developers have faced delays or needed to stop developments due to **water supply issues**. Additionally, there are pressures on the energy supply across the corridor from households, commercial, and industrial sectors
- **International competition for private sector investment** is already high, and can be expected to increase throughout the 2020s as more emerging economies compete with established economies. This could place pressure on funding available for R&D. Ireland and the UK rank poorly compared to peers in terms of spend on R&D. Baseline spend on the Corridor is estimated to be ~£2.3 billion. Out to 2030, R&D spend is projected to increase in line with Irish Government and NI Executive policy.



# Advanced agriculture and manufacturing - sector

The sector is well-established but offers opportunities for further growth and investment.

## Strengths

S

- There is a **strong skills base in manufacturing and agriculture in the core corridor**. The corridor has an established brand for these sectors which can be built on and marketed to further generate trust
- **Good infrastructure** is in place to support advanced agriculture learning at universities in the corridor. Marts in Louth and Armagh provide a transparent method of selling and guaranteeing payment for livestock, as well as other diversified services
- The **manufacturing sector contributed 49% (£326m) of NI R&D spend in 2020**, demonstrating a strong contribution. Firms such as Devenish are leaders in R&D, employing over 750 people globally and leading pioneering research from their Northern Ireland headquarters.

## Weaknesses

W

- Differences in **arrangements for intellectual property and technology transfer** management increase the difficulty of sharing skills and building on experience
- **Misalignment of the two governments infrastructure development plans** could lead to inefficiencies to the All Island transport network impacting the advanced agriculture and manufacturing sector
- **Research and development does not have sufficient funding** along the whole corridor. Resources are focussed around Dublin and Belfast, leaving gaps in the core corridor where projects could add significant value. Making better use of cross-border opportunities and skills could attract more high-value FDI to the region.

## Opportunities

O

- **Skills can be developed outside of university learning**. The corridor has potential for offering apprenticeships which focus on skills, industries and learning on the job as an alternative for higher education.
- The corridor has two well-established **council-led brands** in the advanced agriculture sector – Food Heartland and Boyne Valley Flavours. This can be marketed to increase their international presence.
- R&D has driven the emergence of **“Industry 4.0” to increase operational efficiency** through rapid adoption of automation techniques, artificial intelligence and internet of things. Enhancing this revolution offers opportunities for both advanced manufacturing and agriculture to grow in DBEC.

## Threats

T

- The corridor **lacks immigration of workers with appropriate skills** and is seeing outwards migration of skilled workers. There has been low uptake of apprenticeships to develop the necessary skills to support growth in the manufacturing and agricultural sectors.
- There is tough **competition for funding** of infrastructure projects. Without a visible and credible commitment to achieving the 2030 and 2050 emission reduction targets, there will continue to be a cautiousness from investors to commit funding.
- **Research and development is competing for funding** across other sectors and locations. There is capability along corridor but a lack of investment to support innovation.

# Life sciences- sector

The island ranks poorly compared to peers on R&D spend but DBEC ranks better. Cross border R&D investment is likely to rise and DBEC can highlight the region's value.

## Strengths

S

- The corridor has a steady **pipeline of expected graduates** in the corridor studying life sciences. An estimated 15,000 students began studying at universities located in the region subjects related to life sciences in 2020/21
- A number of **large life sciences companies along the corridor provide a range of contract manufacturing services to start-ups and global companies** that lack the infrastructure to produce the produces themselves
- R&D in life sciences in the corridor has a successful **history of attracting investment**. Examples include WuXi Biologics which invested €325m in a new facility in Dundalk, creating 400 job opportunities and aiming to be one of the world's largest facilities using single-use bioreactor technology.

## Weaknesses

W

- Due to the high demand for skilled workers **attracting and retaining talent is one of the main challenges** facing the life sciences sector. This however can be offset by the upcoming pipeline of graduates though they will require in job training
- Infrastructure to support the **pharmaceuticals industry is concentrated** around Dublin, with some smaller clusters in Newry, Dundalk and Belfast. In other counties, a single pharmaceutical company may dominate the area. Whilst these clusters are growing, their limited number presents a weakness for the corridor
- Historically **Northern Ireland has had a low expenditure in R&D** per inhabitant compared to a number of peer countries in Europe. This will need to be improved on.

## Opportunities

O

- DBEC has an opportunity to **draw on existing, well-established companies** based in the corridor to develop skills in both life sciences and supporting professions through placements, apprenticeships and job-based learning. One example is the Almac Group which employs 6,000 people globally and has its global headquarters in Craigavon and EU Headquarters in Dundalk
- Commitments from specialised firms in the industry to **invest in facilities** in the corridor will develop confidence, create jobs and drive economic growth in the region. One example is WuXi Biologics which has committed €325m in a new biopharmaceutical contract manufacturing facility in Dundalk
- DBEC can assist with the development of research centres that focus on clinical trials perhaps modelled on accelerator centres in Fingal or Belfast's Innovation Factory.

## Threats

T

- Competing economies for skilled workers in life sciences may not face the same **cost of living challenges** as Ireland, such as in the Netherlands. As the cost of living in remote communities increases, skilled workers may be attracted to migrate to other regions. As industries such as pharmaceuticals grow, the higher demand for housing from workers may further contribute to increasing costs
- **Continued investment in Dublin infrastructure** may take funding and resource away from other areas along the corridor. Whilst the benefits likely expand beyond Dublin, a lack of targeted investment in infrastructure along the corridor risks a divergence in service offering
- **Other clusters for R&D in Life Sciences exist** in Ireland, for example in Galway. DBEC could learn from their experiences but will need to develop it's own area of expertise to avoid competing with well-established research centres for resource, funding or publications.

# Professional services and ICT - sector

While the region is skilled and graduate throughput strong, re-skilling is needed post-pandemic. There are gaps in skills coordination on the corridor, which DBEC could lead.

## Strengths

S

- Universities in the corridor are expecting to provide a steady **pipeline of ICT graduates**. An estimated 18.8 thousand students enrolled in courses related to professional services and ICT in the corridor in 2020/21, almost 20% of these in ICT. The workforce is highly educated, predominantly has English as first language
- **The corridor has reliable broadband connections** in cities, allowing for remote working and online collaboration between different locations. The M1 Payments Corridor is developing as an internationally recognised e-commerce, fintech and payments hub. FinTech Corridor has also assisted SMEs in the financial and technology sectors
- **R&D has mostly been in the ICT industry** with a number of ICT research centres located along the corridor (e.g. Adapt Centre, Lero, Insight, Digital ICT, BT Ireland Innovation Centre).

## Weaknesses

W

- Throughout the corridor there is currently a **shortage of workers** for a wide range of different skills in the professional services and ICT sectors
- **The core corridor lacks luxury hotels**. The absence of 4 or 5\* hotels prevents locations being able to host large conferences, attract some types of tourist and encourage business travellers. It may also detract from foreign investment who rely on certain services to be able to conduct business
- Applications for **R&D incentive in Ireland have been reported as being too complicated for small and medium business** due to them having the lack of resources to engage professional advice to prepare the appropriate documentation stipulated by Revenue.

## Opportunities

O

- NI and RoI have set targets to **increase renewable energy output**; the corridor has the skills needed and is well-placed to grow its advisory and other technical services on offer
- **Conference facilities** are well-established in Dublin and Belfast but vary along the core corridor. Developing high-quality facilities would provide opportunities to host and market events, attract investment and bring more people to the area. Additionally, investment in **remote working hubs** (currently 600 planned from EI) will allow for much greater mobility of labour around the island of Ireland as people are less longer fixed to specific locations. Over 80% of workers on the island (that can work remotely) have stated that they would like to continue to do so at least some of the time
- **Coordinate existing research centres** for pan-corridor use (e.g. City Deal Regional Innovation Hubs, Fingal's accelerator centre, US-Ireland Research, and shared island).

## Threats

T

- **Historic out-migration from NI has been abating in recent years but remains a challenge** with 25% of NI domiciled students studying in Scotland, England and Wales. A large portion of these students remain aboard after graduating. Anecdotal evidence of emigration of young skilled professional in Dublin due to rental pressures
- **Climate reductions targets are a large risk to the ICT sector** with the need to reduce their electrical consumption. This also means that based off the current infrastructure and emission targets reductions are to be met there is limited growth of data centres in the ICT sector
- **Tax credits on R&D is becoming increasingly competitive internationally** with many other counties offer incentives to attract FDI and encourage R&D.

# Tourism - sector

**Most tourism spend is currently focussed around Dublin and Belfast. Developing skills, infrastructure and attracting investment along the corridor is key to sharing the growth.**

## Strengths

S

- The **population of the corridor is highly skilled** with several universities and higher education facilities located along it, providing a vast pool of people to recruit from and train in specialist areas
- **The corridor has good international transport links** through Dublin and Belfast airports. This makes the region attractive for city breaks - Dublin and Belfast both have a strong tourism offer, recognisable internationally, having over 7.4M and 1.5M visitors a year respectively (Pre-Covid)
- Promotion of the corridor could **attract investment** from Fáilte Ireland, with potential for Shared Island funding. Investment in Banbridge has developed a Game of Thrones studio tour. It was estimated that pre-covid 350,000 people visited NI ever year to see GoT filming location.

## Weaknesses

W

- **Lack of skilled staff** is a major risk for the tourism sector. Career changes and emigration post-pandemic have acted as a dampener on growth during the recovery phase, with key skilled roles struggling to attract workers
- **Key tourist attractions are located in Dublin or Belfast**, such as the Guinness Storehouse, Dublin Zoo and Titanic. Other attractions along the corridor have fewer visitor numbers and need support to increase footfall
- The region will need to **promote individual characteristics** to attract investment specifically to the area. This will rely on targeted marketing, providing reasons for investment in DBEC over other regions.

## Opportunities

O

- **Marketing skills could be used to enhance the branding** by advertising domestic tourism to the corridor as a unique offer. Domestic tourism grew during Covid due to restrictions on overseas travel. Maintaining this momentum through effective advertising would smooth the corridor's tourism demand
- Increasing the **accommodation stock outside of Dublin and Belfast** will encourage tourists to increase dwell time. There is a need for destination hotels in the corridor, castles currently only hosting weddings could be opened for viewings/tours, and an international quality outdoor waterpark or theme park would boost visitor numbers
- **Development of e-charging is needed** to support the shift to EVS and meet demand for e-charging points in the medium-term, potentially at key attractions.

## Threats

T

- **Shortage of staff in key tourism roles** is creating delays, cancellations and disruption to holidays. Examples include a shortage of airport security, baggage handling and ground staff. Poor management and publicity of incidents may discourage tourists.
- **Most tourism infrastructure is located in Dublin or Belfast**, including hotels, key attractions and transport hubs. Failure to invest and support the development of other areas along the corridor core risks limiting the growth the region can achieve.
- **Covid uncertainty threatens long-term investment.** Covid has been very turbulent for a number of sectors with the tourism/hospitality seeing the worst of it. The changing restrictions are making it extremely difficult to forward plan and reinvest. Tourism Ireland's consumer research shows that comfort with taking holidays continues to increase in European markets and has stabilised in the US. The desire to travel is evident, but uncertainty sees travel plans shifting.

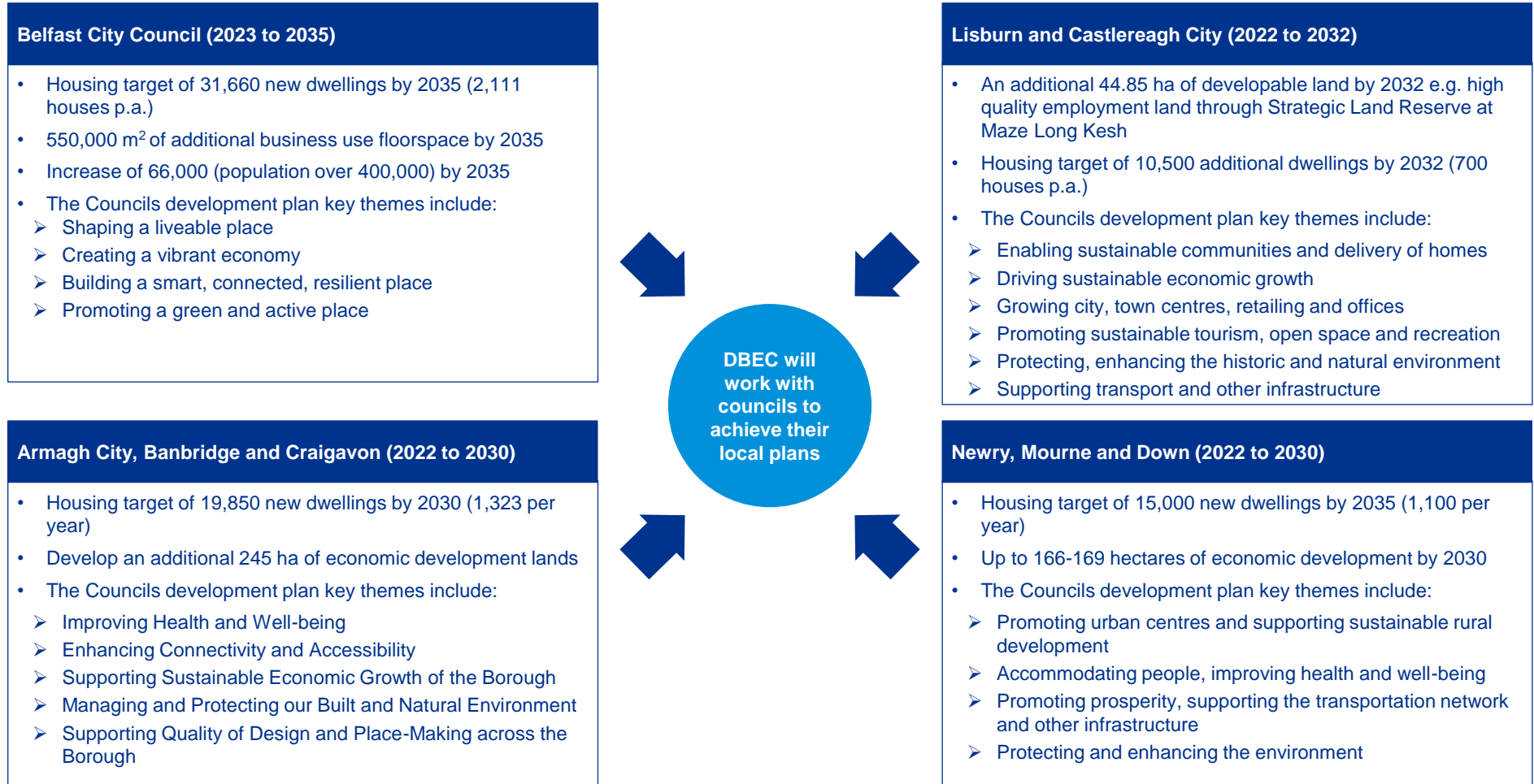


# Appendix 2 – Comparative Analysis



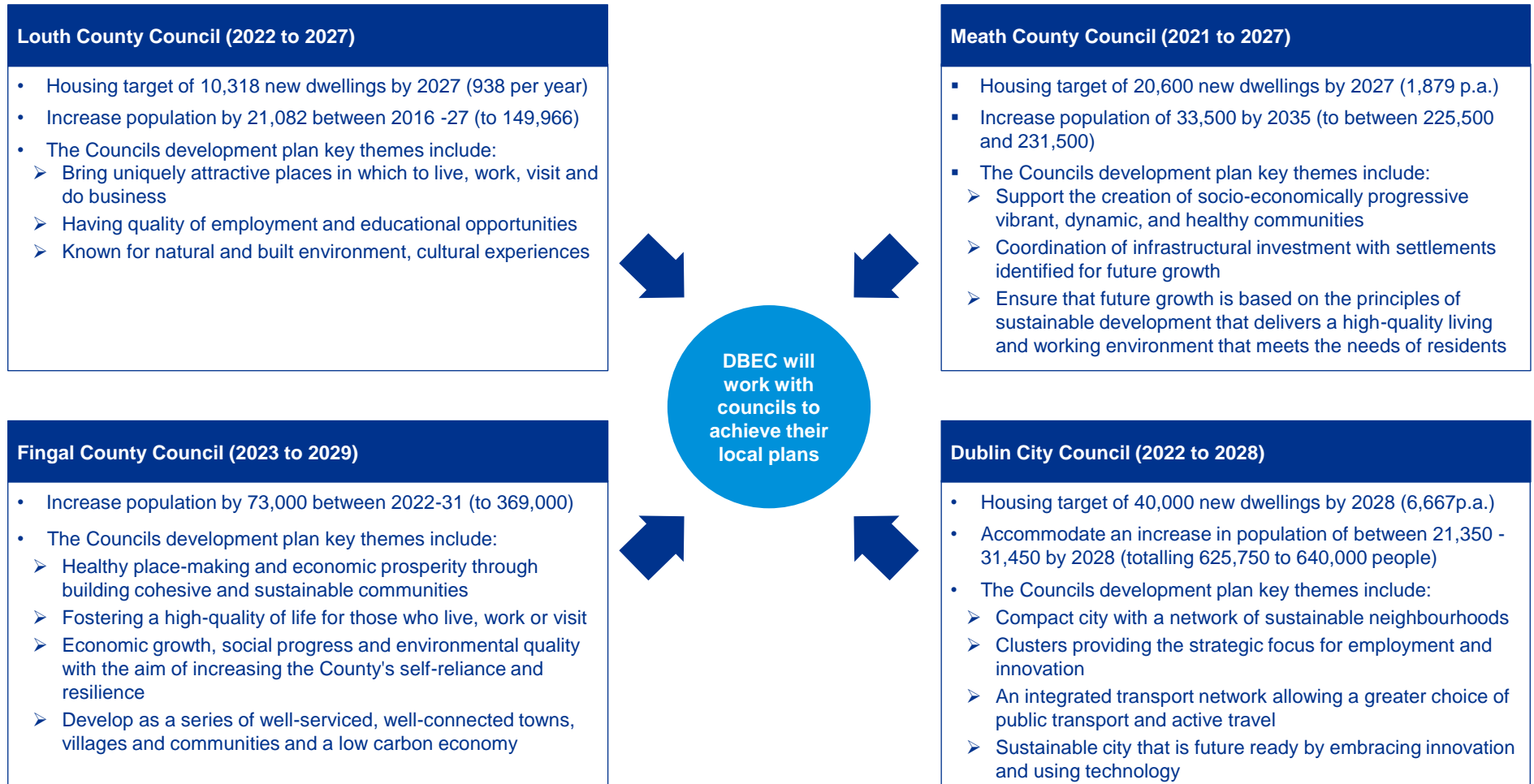
# NI councils' development plans

Key themes arising from NI Council plans are sustainable growth and connectivity.




# Rol councils' development plans

Key themes arising from Rol Council plans are improving infrastructure and quality of life.



# Case Study: Oresund/Greater Copenhagen (GC)

Population	4.4 million
Location	
GVA	€144bn (£120bn)
Geographic distance end-end	440km
Type of organisation	Articles of Association
Funding sources	Regional councils
Funding quantum	€1.5m (£1.2m)
Employees	12

## GREATER CoPENHAGEN

Source – Consultations, Annual Reports, Corridor Websites



### Vision and Origins

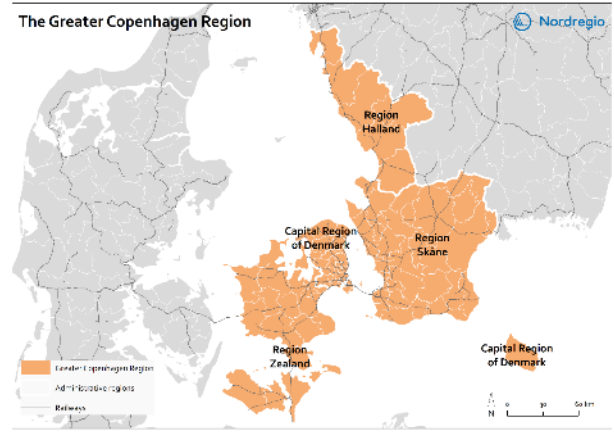
- **Vision:** *By maximising the benefits of integration and cross-border dynamics, the Oresund Region will stand out as the most attractive and climate-smart region in Europe*
- Headquartered in Copenhagen, Greater Copenhagen was founded in 2015 (its origins, Oresund Committee, go back to 1993) and **includes all 85 Danish and Swedish municipalities in the region** Greater Copenhagen's activities are led by the organisation's political Board: **the Greater Copenhagen Committee, with 18 representatives for the organisation's 89 member organisations**
- The goal is for Greater Copenhagen to be a **global hub for growth, sustainable solutions and innovation**

### Lessons Learned

- Encourage the **flow of labour**
- Promotion of highly **skilled labour**
- Ensure all key entities are included and are encouraged to be involved
- Relatively **weak national interest** and central government support for cross-border cooperation

### Key Areas of Focus, Governance, and Breakdown of Spend

- Key areas of focus** for future growth:
- Green Transition
  - Labour Market
  - Infrastructure
  - Digitalisation
  - Life Science
  - Key Sectors
- Breakdown of spend:**
- 50% Staff
  - 30% Programme
  - 20% Operating
- Board Structure:**  
The Greater Copenhagen Committee with 18 representatives from Denmark and Sweden.





Population	4.9 million
Location	
GVA	€209bn (£178bn)
Geographic Area	37,810 km <sup>2</sup>
Type of organisation	501 c3 non profit
Funding sources	Regional councils and private sectors
Funding quantum	€6.6m (£5.6m)
Employees	30+



Source – Consultations, Annual Reports, Corridor Websites



### Vision and Origins

- **Vision:** *To attract and grow quality businesses, and advocate for Greater Phoenix's competitiveness*
- The economic council consists of a **team of 30+ personnel** that works **with 22 member communities**, Maricopa County, and **~200 private investors to accomplish its mission**
- Over the past **32 years**, GPEC has supported the regional economy by working with **~900 firms**, creating more than **163,000 jobs** and **\$33 billion in capital investment**
- Beyond physical infrastructure, DBEC's success will be dependent on strong indigenous and FDI private sector support. In October 2021 GPEC was named top economic development organization globally by IEDC

### Lessons Learned

- Encourage the **involvement and funding of the private sector** within the partnership
- Provide a **large range of reports across a range of sectors**
- Protocol agreement between members
- A **large board can be difficult** to manage
- **Annual funding renewals making it difficult to forward plan**

### Key Areas of Focus, Governance, Breakdown of Spend and KPI's

**Key areas of focus:**

- **Industries**
  - Advanced business services
  - Aerospace
  - Autonomous vehicles
  - Blockchain
  - Cybersecurity
  - Financial services
  - Healthcare & biomedical
  - Semiconductors
  - Software
  - Wearables
- **Operations**
  - Data centres
  - Headquarters
  - Logistics & distribution
  - Manufacturing
  - Research & development
  - Service centres
  - Start-ups

**Breakdown of spend:**

- 47% staff
- 30% programme
- 23% other operating


**Board Structure:**

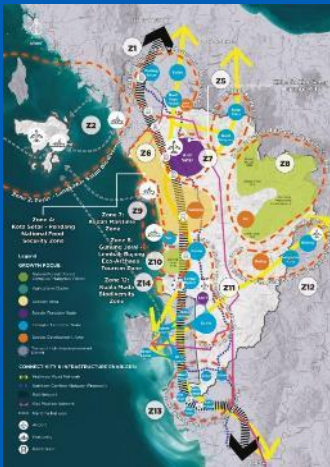
- 85 Board members (mixture of public/private)

**Current KPIs:**

- Payroll Generated
- Average High-Wage Salary
- Number of Jobs
- Number of High-Wage Jobs
- Qualified Prospects
- International
- Prospects
- GPEC Assists
- Stakeholder
- Satisfaction with Business Attractions
- Competitive Position
- Progress
- Cash Reserve

# NCIA

Population	6.8 million
Location	
GVA	€48bn (£41bn)
Geographic Area	363 km
Type of organisation	Statutory Body
Funding sources	Regional councils and private sectors
Funding quantum	€7bn (£6bn)
Employees	Dec 2020 ~165,000



Source – Consultations, Annual Reports, Corridor Websites



## Appendix: Comparative analysis

# Case Study: Malaysia Northern Econ Corridor (NCIA)

### Vision and Origins

- **Vision:** *To achieve sustainable growth, emphasis will be put on adopting the Fourth Industrial Revolution (IR4.0) technologies, embracing the digital economy, raising innovation, strengthening infrastructures, driving development in strategic sectors, and grooming the local talent pool to be future ready*
- Northern Corridor Implementation Authority (NCIA) Council created in 2008, **comprising of the Prime Minister, DPM, Federal Government Chief Secretary**. Other representatives from the state governments, national champion businesses, and other federal appointees. The Council manages the high level strategy while a management board manages implementation
- Goal has been to build upon the underlying strengths of high-tech manufacturing, agribusiness, services, green energy, petrochemicals, mining for each state (Penang, Kedah, Perak, Perlis), while **spreading growth equitably across social and geographic divisions of the Northern Corridor Economic Region (NCER)**
- Investments include the construction of the **26km long Second Penang Bridge**, the electrification of the double track railway line which runs through the NCER states, and the planning and development of Science and Technology, Green Development, and special industry development parks


### Key Areas of Focus and Governance

- Key areas of focus:**
- High-Tech manufacturing
  - Agribusiness
  - Services
  - Green Energy
  - Petrochemicals
  - Mining
- Board Structure :**
- The NCIA Council includes the Prime Minister, DPM, Federal Government Chief Secretary to the federal government, Chief Ministers of the Four States, a senior business representative of Sime Darby (a large Malaysian Conglomerate), and a several appointments by the federal government.

### Lessons Learned

- The partnership needs to be granted **sufficient authority** to promote development
- Critical to provide a **clear vision** of additional economic growth
- **No/little involvement from local councils** on the partnership
- Poor KPIs monitoring and data



Population	2 million
Location	
GVA	€20bn (£17bn)
Geographic Area	7,000 km <sup>2</sup>
Type of organisation	501 c3 non profit
Funding sources	Regional councils and private sectors
Funding quantum	€0.9m (£0.8m)
Employees	3

# Case Study: Research Triangle Regional Partnership (RTRP)

### Vision and Origins

- **Vision:** *To market the region to external audiences on why the Research Triangle Region is the best place to live and do business*
- **Established in 1990** the Research Triangle Regional Partnership is an economic development organization sustained by and committed to **12 core counties located in Central North Carolina**
- Acting as ambassadors, they **introduce companies and organizations to a region** that offers access to diverse talent, a competitive cost of living, a strong and diverse economic climate, a supportive infrastructure, and a high-quality of life

### Key Areas of Focus, Governance and Breakdown of Spend

- Key areas of focus:**
- Advanced manufacturing
  - AdTech, CleanTech
  - Life Sciences
  - Cybersecurity
  - Fintech
- Breakdown of spend:**
- 41% staff
  - 11% programme
  - 48% other operating
- Board Structure :**
- 20 Board members

### Lessons Learned

- Focus on **marketing and establishing a brand** for the region
- Focus on **attracting investment** to the region
- **Funding from state discontinued** and the need to plan accordingly

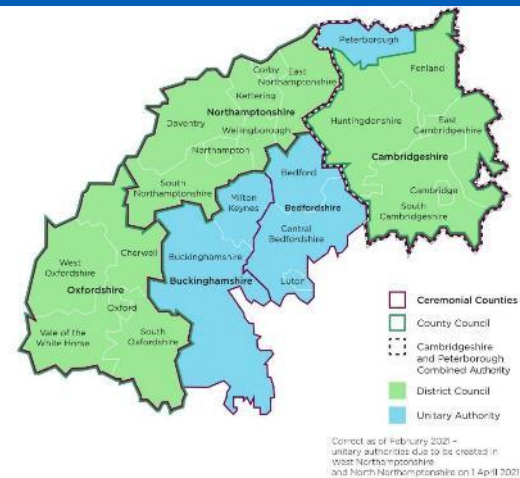


Source – Consultations, Annual Reports, Corridor Websites



# Arc

Population	3.3 million
Location	
GVA	€107m (£91m)
Geographic Area	130km
Type of organisation	Informal (“Coalition of the Willing”)
Funding sources	Central and local councils
Funding quantum	N/A
Employees	3



## Appendix: Comparative analysis

# Case Study: Oxford-Cambridge Arc (Arc)

### Vision and Origins

- **Vision:** *To maximise the Arc’s transformative economic potential*
- Oxford-Cambridge Arc (Arc) established in 2020/21 comprising a leadership group of universities and local enterprise partnerships; completed its public consultation process in October 2020
- The Arc is **currently an informal volunteer** structure but there are plans for it to be established as a legal entity in late 2022
- The Arc’s vision is to increase productivity by intensifying the corridor’s global strengths in science, technology and high-value manufacturing and for the **Arc to contribute to a doubling of GVA by 2050 to over £200bn**
- Improving infrastructure and connectivity across the Arc with a new rail line between Oxford, Milton Keynes and Cambridge will link communities with employment and leisure opportunities. As well as encouraging clean growth, other focus areas are the creation of sustainable communities improving the quality of life for those living and working in the Arc

### Key Areas of Focus, Governance and Breakdown of spend

#### Key areas of focus:

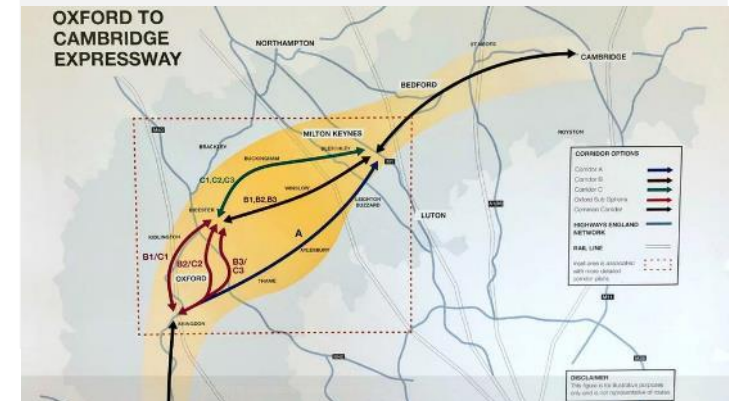
- Education
- Life sciences
- Manufacturing
- Creative and media
- Professional services
- High performance tech
- Motorsport and aerospace

#### Resources:

- The Arc currently has three full time employees with additional resources supplied voluntarily by the partnerships members

#### Board Structure :

- No official board however is currently led by a leadership group comprising a leadership, universities, and local enterprise partnerships components.



Source – Consultations, Annual Reports, Corridor Websites



# Northern Corridor

Population	0.12 million
Location	
GVA	€16bn (£14bn)
Geographic Area	7,000 km
Type of organisation	Informal
Funding sources	N/A
Funding quantum	N/A
Employees	3

## Appendix: Comparative analysis

# Case Study: Northern Corridor (Canada)

### Vision and Origins

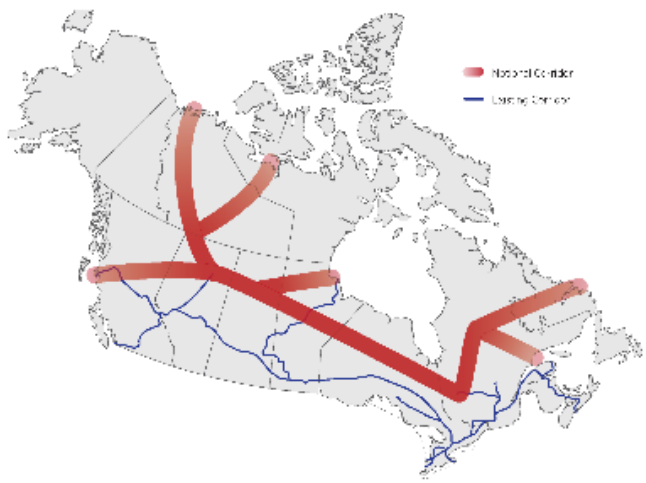
- **Vision:** Create a series of pathways linking Canada's northern communities
- Currently at concept stage, the Northern Corridor is a group of researchers providing information an Scientific Advisory Committee (SAC) and the External Advisory Committee (EAC)
- Its aim is to simultaneously construct the multi-mode infrastructure needed to encourage development, improve communication/utilities networks, improve access to natural resources in remote areas, and promote exports through Canadian ports
- We see its relevance as the transformational potential of new infrastructure. In DBEC context, given existing infrastructure and shorter distances, the parallel may include faster rail connections, road improvements along the stretch, and the investment in vertiports this decade

### Lessons Learned

- Review level of infrastructure at ports and airports
- Improve access to natural resources
- Improve access and standard of living for remote areas
- High capital costs/no early easy wins available

### Key Areas of Focus and Governance

- Key areas of focus:**
- Oil
  - Mining
  - Gas
  - Tourism
- Board Structure :**  
No official board but have an Scientific Advisory Committee and a External Advisory Committee.



Source – Consultations, Annual Reports, Corridor Websites





# Appendix 3 - Sources



# Sources: General

## Sources used in this report are listed below.

- Central Bank of Ireland, (2022). Quarterly Bulletin, June 2022
- Council respective development plans: Belfast local development plan 2035 (currently draft), Lisburn & Castlereagh local development plan 2032 (currently draft), Armagh City, Banbridge and Craigavon local development plan 2030, Newry, Mourne and Down District Council local development plan 2030, Louth County development plan 2021-27, Meath County development plan 2021-27, Dublin City Council development plant 2022-28 (currently draft)
- CSO, (2022). CSO Statistical Databases
- ESRI (Quarterly Economic Commentary, Summer 2022),
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- Department of Finance, (2021). Budget 2021
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- International economic corridors consultations and respective websites; Greater Copenhagen, Greater Phoenix Economic Council, Malaysia Northern Econ Corridor, Research Triangle Regional Partnership, Oxford-Cambridge Arc, Northern Corridor (Canada)
- InvestNI, (2021). InvestNI Performance Council Area 2021
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- Northern Ireland Executive (2021) Investment Strategy for Northern Ireland – Draft Consultation Document
- Tourism NI, Stats and Figures
- Ulster Bank, (2022). Northern Ireland PMI, May 2022



*The document and information contained herein (“Information”) is specific in nature and is only intended to address the circumstances of the Belfast City Council (“BCC”), as set out in the services contract dated 2nd November 2021, and not any third party individual or entity. KPMG accepts no responsibility whatsoever and accepts no liability for any loss or damage suffered or costs incurred by any third party individual or entity arising out of or in connection with this Information, however the loss or damage is caused. No third party should act on such information without appropriate professional advice after a thorough examination of the particular situation*