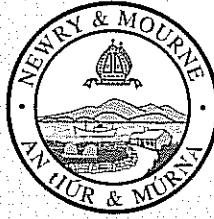




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Comhairle an Iúir & Mhúrn
Newry & Mourne District Council

Cléireach & Príomhfheimeannach ~ Clerk & Chief Executive
Thomas McCall

Ar dTag / Your Ref: 27 February 2009
Bhur dTag / Your Ref:
Data / Date:

Independent Review of Economic Policy (DETI/ Invest NI)
1st Floor
Waterfront Plaza
8 Laganbank Road
Belfast
BT1 3BS

To Whom It May Concern:

Re: Independent Review of Economic Policy

In response to correspondence received on the above review, please find enclosed comments provided by Newry and Mourne District Council.

If you require any follow-up contact please speak to Amanda Smyth at either of the contact details below.

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028 3031 3233

Yours Sincerely

Amanda Smyth
Assistant Enterprise Development Officer



Building
Sustainable
Prosperity

Independent Review of Economic Policy: Call for Evidence

Please find below a response provided by Newry and Mourne District Council on the Independent Review of the Economic Development Policies of the Department of Enterprise Trade & Investment and Invest NI. This response considers directly those issues raised and set out within the Review Terms of Reference.

Current DETI / Invest NI Policies and Programmes

The Start a Business Programme as delivered by Invest NI, and which concludes in March 2009 has had, in the Newry and Mourne District Council area, a positive impact on promoting the number of business start ups. Newry and Mourne particularly benefited from this programme, as the relative number of SABp offers in the District was higher than the NI average. This may be explained by an existing high start-up rate present in the area however, the SABp has certainly had a positive influence in promoting this development.

In terms of the new Start a Business Programme, the delays in the launch of the programme is therefore having a detrimental impact on the growth of new businesses, particularly as the support offered by the programme is critical to the sustainability of new companies in the volatile economic climate that we are currently experiencing. In order to be effective, this new programme must consider the recent market changes, and tailor the support offered accordingly, i.e. additional financial assistance or support, advice on how to utilise the Sterling / Euro exchange rate, protecting their business against adverse market forces etc.

Many of the Invest NI programmes will transfer to Councils under the RPA arrangements, and effort should now be placed in working with the Councils to ensure the transfer of responsibilities is seamless, and the transfer of power does not impact on the support offered to the NI business market. Councils should now be 'shadowing' Invest NI in the delivery of such programmes as the new SABp and SEP.

Policy options to stimulate economic growth and productivity

DETI and Invest NI policies and programmes have demonstrated their ability to promote economic growth and productivity among those businesses that are INI clients and who subsequently seek their support. However, Invest NI are currently working with a small proportion of the VAT registered business within NI, leaving a significant proportion of business that is unable to benefit from this service. It is believed that Invest NI should be working more closely with Councils in trying to reach those businesses and provide them with the support required. In particular are opportunities for the promotion of economic growth and productivity as presented by DETI's Competitiveness and Employment programme. With the support of Invest NI Councils can devise and deliver programmes that offer support to businesses who are not benefiting from the Invest NI service. However, unless Invest NI assist and support Council's in their application for this and other funding, those policies

and programmes now in place to stimulate economic growth and productivity will be ineffective.

A significant area for programme development is continued and tailored support being offered to business following their initial start-up period. This is particularly important for those businesses that are not an Invest NI client.

How NI can further attract value added FDI and promote domestic investment

In order to promote FDI N. Ireland needs to consider the availability of development land, as this is a crucial component within the promotion of FDI. Invest NI should offer consideration to the role that they can play in acquiring land for the purposes of attracting and securing FDI.

The approach the Minister of Enterprise Trade and Investment engages with key stakeholders on economic issues

In moving forward there is a clear need for DETI and Invest NI to engage with local authorities to ensure that as key stakeholders all parties are working together in the promotion of economic development. Engagement is essential for the planning and implementation process required in advance of the transfer of responsibility of economic development programmes to Councils, but also vital to ensure that current programmes such as the Competitiveness and Employment Programme is utilised fully by all stakeholders for the benefit of the wider N.Ireland Business market.

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