



## Application form

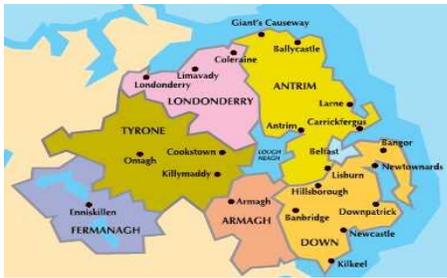
### European Entrepreneurial Region (EER) Label

EER 2015

#### Contact details

<b>Applicant region</b>	Northern Ireland
<b>Name of the person in charge with the project</b>	
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# 1. Factsheet



## 1.1 GENERAL INFORMATION

- Date of application: 28 March 2014 - EER year : **2015**
- **Applicant: Northern Ireland (NI)**

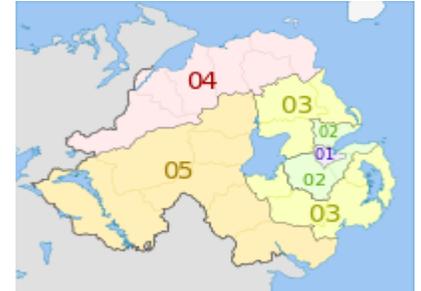
Northern Ireland's application is supported by the Department of Enterprise Trade and Investment (DETI) and Invest Northern Ireland, NI's Economic Development agency, and NILGA, which is the Members Association for the current 26 local government authorities in Northern Ireland. This support is demonstrated by the letters attached to this application.

**Political endorsement:** Endorsement has been received from the region's 3 Members of the European Parliament and NI's 26 Local Authorities.

- Contact person: Mrs. Karine McGuckin, European Officer, Northern Ireland Local Government Association, Unit 5 B, Castlereagh Business Park, 478 Castlereagh Road, Belfast, BT56BQ, UK. Tel 00 44 2890 798972

## 1.2 REGIONAL DATA

Name	Area
UKN01	Belfast
UKN02	Outer Belfast Carrickfergus, Castlereagh, Lisburn, Newtownabbey, North Down
UKN03	East Antrim, Ards, Ballymena, Banbridge, Craigavon, Down, Larne
UKN04	North Ballymoney, Coleraine, Derry, Limavady, Moyle, Strabane
UKN05	West and South Armagh, Cookstown, Dungannon, Fermanagh, Magherafelt, Newry and Mourne, Omagh



- Population: 1.84 million
- Area: 5,345 sq. miles
- GDP / inhabitant: £15,800

## 1.3 COMPETENCES / ACTIVITIES / AWARDS IN THE FIELD OF ENTREPRENEURSHIP

Northern Ireland is heavily reliant on indigenous, homegrown companies. 68 companies based in Northern Ireland employ more than 500 employees. However, over 30,000 Micro businesses (between 1 and 10 employees) account for **89.1%** of NI's total companies. The small and medium enterprise (SME) sector is strongly supported by local and regional government through many successful business development programmes, with specific examples provided below.

The creative industry is continuing to grow rapidly in Northern Ireland, especially the film and television production sector. This sector was supported through the EU Sustainable Competitiveness Programme 2007-2013 and ERDF funding and has experienced significant growth over the last 4 years. The first three series of the acclaimed television programme "Game of Thrones" was filmed in the Titanic Studios in Belfast and on different outdoor locations all across Northern Ireland. Game of Thrones went on to win 42 Awards since 2011. The most recent "Dracula" film was produced and shot by HBO in the Castlereagh Road film studios in Belfast just before the end of December 2013. The

use of former and existing industrial sites is a practical and symbolic signal and testimony to the entrepreneurial spirit which is alive in NI.

The tourism industry is playing a key role in the region's economy. The Northern Ireland Tourist Board and local authorities have cooperated for over two decades to promote what Northern Ireland has to offer through skill support, sector specific training and marketing campaigns. The autumn 2013 marketing campaign, part-funded by ERDF, with a total budget of over €1million was delivered through various media channels including television, outdoor, radio, press, online and promotional activity in the Republic of Ireland and Northern Ireland markets. The campaign concept was based the development of Experiential tourism. The 2013 campaigns have also been linked to the Derry-Londonderry City of Culture 2013 which has benefited SMEs of all sectors through the supply chain. One campaign is planned for each season over the period of the EER award

SMEs are at the heart of all development programmes developed by Invest Northern Ireland and Local Authorities, but it also forms an integral part of the Northern Ireland Programme for Government. A new £5 million NI Small Business Loan fund was recently announced as part of Invest Northern Ireland's Access to Finance Strategy. The other main sectors of NI's Economy are ICT, Electrical & Electronic, Advanced Engineering, Connected Health & Stratified Medicine, Agri-food and Sustainable Energy.

Skills play an essential role in increasing competitiveness and growth and Northern Ireland is no exception. In order to address issues such as youth unemployment and inactivity, a number of youth employment initiatives have been implemented across the whole region, but particularly in areas of specific deprivation and need, including the traditional Apprenticeship Programme – gaining contemporary manufacturing skills, the Youth Entrepreneurship Programme and the innovative Skills to Succeed. The **end goal** of an effective skills policy is to provide the supply of labour qualified to match the demands of the local labour market. The Department of Employment and Learning (DEL) in cooperation with the 2 primary Universities, the further and higher education sector, the private sector and local authorities are all working on creating the type of skills which will ensure that this demand is met.

## 2. Entrepreneurial SWOT analysis of Northern Ireland's Economy

### Northern Ireland's Entrepreneurial Potential

Northern Ireland has emerged from substantial conflict and division and is united around building sustainable employment, attracting world class investment, whilst celebrating & developing its globally renowned industrial reputation.

A strong vision for its economic future based on its success in promoting SMEs, securing high value Foreign Direct Investment, and delivering for citizens through a clear partnership with the education sector and organisations who focus on the growth and development of the NI economy through innovation, R&D and business start-ups. Local Authorities complement this work through their Local Economic Development measures supported both by European Funds and by the private sector.

<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• Many strong local firms already competing in global markets/exporting such as Bombardier and Seagate.</li> <li>• One of the youngest and fastest growing populations in Europe</li> <li>• Strong indigenous SME base, especially within exporting, R&amp;D and Innovation</li> <li>• Strong FE/HE interaction</li> <li>• Strong FDI history in manufacturing and services</li> <li>• Good education sector with highest GCSE and A-level results in UK and almost 200,000 employable graduates per 1 in 9 of population.</li> <li>• Literacy levels similar to OECD average</li> <li>• Skills systems increasingly focused on meeting needs of industry</li> <li>• Strong link between local government and the Assembly and its Departments</li> <li>• Belfast internationally recognised city for financial services technologies</li> <li>• Strong links with local enterprise agencies</li> <li>• Resilient indigenous agri-food sector which has continued to perform strongly through the recession</li> <li>• Strong creative industries sector including the film and television production sector.</li> <li>• Strong cross border element with business cooperation with the Republic of Ireland and the West of Scotland.</li> <li>• Reform of public administration streamlining economic intervention and giving local authorities the powers to implement local action plan through a Community Plan endorsed by the community.</li> <li>• Numerous areas of Outstanding Natural Beauty</li> </ul>	<p><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>• Over-dependence on public sector</li> <li>• Long standing structural issues</li> <li>• Relatively weak skills sector</li> <li>• Corporation tax much higher than its land border state neighbour (IRL)</li> <li>• Access to finance for SMEs</li> </ul> <p><b>Historic Weaknesses</b></p> <ul style="list-style-type: none"> <li>• Skills profile remains weak vis-a-vis leading economies</li> <li>• Low living standards, productivity and wages</li> <li>• Lack of large firms</li> <li>• Under-represented in high value sectors</li> <li>• Small private sector with over-reliance on public sector/fiscal subvention</li> <li>• Much of job growth has been in low wage services</li> <li>• Large amount of FDI in low value sectors</li> <li>• Low export-intensity internationally</li> <li>• Historically very low Business Expenditure on R&amp;D (BERD)</li> <li>• Over-reliance on a small number of firms for R&amp;D</li> <li>• Relatively low levels of innovation, patents and absorptive capacity</li> <li>• Low levels of entrepreneurship</li> <li>• High proportion of workforce with no qualifications</li> <li>• 'Brain drain' of skilled people who leave to work elsewhere</li> <li>• Low labour market participation rates</li> <li>• Legacy of religious and sectarian conflict spanning centuries.</li> </ul>
<p><b>Internal Opportunities</b></p> <ul style="list-style-type: none"> <li>• Growing tourism sector</li> <li>• Steps in place to improve export performance by SMEs</li> <li>• Opportunities to develop skills base</li> <li>• Good links with schools and 3<sup>rd</sup> level education bodies to embed entrepreneurship into the curriculum</li> <li>• Move traditional sectors up value chain using innovation</li> <li>• Encourage more companies to undertake and exploit R&amp;D</li> <li>• Develop managerial skills</li> <li>• Increase contribution of green economy and social economy</li> <li>• Enhance regional connectivity and promote more efficient and sustainable transport</li> <li>• Use a flexible and timely skills response as a lever to enhance FDI and business growth</li> </ul> <p><b>External Opportunities</b></p> <ul style="list-style-type: none"> <li>• Access to a new EU programming period and ability to align to the principles of the Small Business Act.</li> <li>• Introduction of more financial instruments given that SMEs and financial instruments are a <b>key horizontal factor in all the new EU programmes</b></li> <li>• Opportunity to align with the new <b>NI Smart Specialisation Strategy</b> which is a pre-condition for ERDF in regions going forward.</li> <li>• Developing economies as a source for exports and FDI</li> <li>• Attract more overseas tourism</li> <li>• Potential for greater East-West and North-South cooperation</li> <li>• Encourage graduate leavers to return</li> <li>• Attract skilled people, including the NI diaspora</li> <li>• Strengthening global demand for agri-food</li> </ul>	<p><b>Internal Threats</b></p> <ul style="list-style-type: none"> <li>• Short-term unemployment becomes longer-term in nature</li> <li>• Increasing youth unemployment</li> <li>• Increase in R&amp;D expenditure may be temporary</li> <li>• Lack of high wage job opportunities</li> <li>• Generational unemployment in areas still emerging from conflict</li> </ul> <p><b>External Threats</b></p> <ul style="list-style-type: none"> <li>• Unstable global recovery</li> <li>• Weak global economic growth limits FDI and exports</li> <li>• Cuts in UK public expenditure</li> <li>• Deep economic downturn in RoI impacts on local firms</li> <li>• Potential reductions in Regional Aid limits ability to attract FDI</li> <li>• Continued emergence of BRIC economies as FDI competitors</li> <li>• Rising / volatile energy costs</li> <li>• Reduced access to markets through rising transport costs</li> </ul>

## **2.2 Political description of what Northern Ireland wants to achieve within the next two years and presentation of resources at its disposal to achieve this goal.**

By 2017, a new Programme for Government will formally, inclusively and fully integrate enterprise and investment into the heart of communities and supporting strategies in Northern Ireland. The new political settlement in NI offered the “enterprise foundation” for the region, embraced by the whole community through the Good Friday Agreement in 2008. Between now and 2015, local authorities are being given new economic development and planning powers with statutory responsibilities in order to legally and structurally enshrine communities into the development of services and opportunities for all.

As such, this “bottom up” approach (local, inclusive, diverse) ensures that the voices and creativity of small businesses and entrepreneurs are harnessed. The EER award, therefore, is in part a culmination of this and also a first chapter to enable enterprise – with all political, social and structural support at central and municipal government levels – to flourish. In addition to structures and resources which will enable this, the EER Award will also enable a celebration of the diverse, vibrant, industrial heritage and creative entrepreneurial spirit available in NI, ensuring that the political fragility of the past is removed, replaced with ENTERPRISE as an underpinning, celebrated feature of the sustainable development of the region’s 1.8 million people.

### **The Regional Vision:**

In 2011 the Northern Ireland Executive published its **Economic Strategy**, outlining priorities for sustainable growth and prosperity in Northern Ireland over the short, medium and longer term to 2030. The overarching goal of the strategy is to improve the economic competitiveness of the NI economy by focusing on export-led economic growth, thereby improving employment and wealth across the country. The strategy also focuses on twin economic priorities of **rebuilding** and **rebalancing** the NI economy:

- Rebalancing through improving wealth, employment and living standards of everyone in NI
- Rebuilding by addressing the impact of the global economic downturn, particularly on employment

The economic vision for 2030 is: **‘An economy characterised by a sustainable and growing private sector, where a greater number of firms compete in global markets and there is growing employment and prosperity’**

## **2.3 Resources: Human, Physical and Financial Capital**

### **Human and physical resources**

- A major drive in central and local government to prioritise sustainable employment
- 26 local authorities becoming 11 on 1<sup>st</sup> April 2015 following the Reform of Public Administration with new functions and economic development and planning powers.
- Network of 32 Local Enterprise Agencies across Northern Ireland supporting thousands of small businesses in Northern Ireland <http://www.enterpriseni.com>
- Invest Northern Ireland, the regional business development agency. Headquarters and regional offices across Northern Ireland [www.investni.com](http://www.investni.com)
- The Local Economic Development Forum gathering all Economic Development practitioners to identify strategic issues and address them on a joint basis on behalf of the local authority sector.
- The 7 Colleges of Further and Higher Education <http://www.delni.gov.uk/index/further-and-higher-education/further-education/fecolleges.htm>
- Queen’s University Belfast [www.qub.ac.uk](http://www.qub.ac.uk) and the University of Ulster [www.ulster.ac.uk](http://www.ulster.ac.uk)
- Confederation of British Industry Northern Ireland <http://www.cbi.org.uk/about-the-cbi/uk/northern-ireland/>  
Institute of Directors Northern Ireland Branch [www.iod.com/connecting/local-networks/northern-ireland](http://www.iod.com/connecting/local-networks/northern-ireland) ,  
Federation of Small Businesses (FSB) Northern Ireland [www.fsb.org.uk](http://www.fsb.org.uk)
- Major banking partners: including Ulster Bank, Barclay’s group, Santander.
- The Department of Enterprise Trade and Investment (DETI).
- The Northern Ireland Local Government Association coordinating this application on behalf of partners and ensuring the political support from its elected members to promote the projects at local and regional levels [www.nilga.org](http://www.nilga.org) ; **NILGA has 2 Elected Members on the Committee of the Regions.**

### **Financial Resources:**

- Local Authorities Local Economic Development budgets

- Invest Northern Ireland programmes funds
- Northern Ireland European Structural Funds
- Commercial sponsorship through Banks, and Institutes (IOD, FSB)
- Loans through financial institutions

### **Additional Information (optional)**

#### **Northern Ireland's natural resources:**

##### **Areas of Outstanding Natural Beauty**

For its small area, Northern Ireland has a great variety of scenic countryside and although there are no National Parks, large areas of landscape of distinctive character and special scenic value have been designated Areas of Outstanding Natural Beauty (AONBs). This designation is designed to protect and enhance the qualities of each area and to promote their enjoyment by the public. There are 8 Areas of Outstanding Natural Beauty in Northern Ireland which all have enormous potential to attract economic visitors and increase spending.

##### **Northern Ireland's Coastline:**

At 650 km in length, the coast of Northern Ireland is short but dramatic - it supports an exceptional diversity of marine wildlife and their habitats. The coast includes highly productive and biologically diverse ecosystems, with features which serve as critical natural defences against storms, floods and erosion. A number of species and habitats are recognized as internationally important and the majority of our beautiful coastline is protected for its special interest.

A range of potentially conflicting uses affects the coast and coastal waters. This dynamic fringe supports tourism, agriculture, aquaculture, inshore fisheries, industry, military and civil firing ranges, commercial harbours and quays as well as being used for waste disposal, aggregate mining and power generation. All these activities and more, occur in a zone well known for its natural propensity to change. On 28<sup>th</sup> February 2014, the UK's Energy Minister referred to NI's coastline as being "central to the drive for economic advantage derived from sustainable energy in these islands"

##### **Northern Ireland's lakes:**

Northern Ireland is noted for having some of the largest lakes in the British Isles, including Lough Neagh, Lower Lough Erne and Upper Lough Erne. Approximately 39% of drinking water in Northern Ireland is currently taken from natural lakes, while new lake sources have been identified to meet increasing demand into the next century. Many lakes also support ecological habitats and species of national and international importance.

Lakes are important natural resources with uses ranging from agriculture to fisheries and recreation.

### 3. The Action Plan 2014 - 2016

This will be developed around the 10 principles of the EU's Small Business Act and around the fact that the local authority sector is currently going through the biggest transformation since 1972, igniting economic potential at local level – across 11 distinct sub regions each of which have strong enterprise “Unique Selling Points”, e.g. Creative Industries in the Ards and North Down sub region, technology and cinematography in Derry / Strabane, and sustainable, core city, urban development in Belfast . As the number of Councils will be reduced from 26 to 11, each of the Council areas will launch one particular initiative over the 12 months of the 2015 EER year and follow up these initiatives at local and regional level during the year 2016. ALL of the initiatives will be new, vibrant, distinct and celebratory of the EER principle. They will be sponsored by our business, public, academic, social and commercial partners. It is intended to officially launch one initiative bi - monthly to keep the momentum going and to celebrate a new era in the development and implementation of local economic development by the NEW councils and their partners.

The sustainability of this action plan is based on the Economic Strategy for Northern Ireland which outlines priorities for sustainable growth and prosperity in Northern Ireland over the short, medium and longer term to 2030, the Local Government Bill which gives the new Councils powers to develop their own economic development agenda, the availability of the Structural Funds for Northern Ireland and other Specific Programmes such as the PEACE Programme and the Interreg Programme. The lever effect of European Funds is currently and will continue to be fully exploited to co-fund projects and the principle of subsidiarity will therefore play a crucial role. It is estimated that £1.1 billion of structural funds will be allocated to Northern Ireland in the next phase of funding and this money will go towards delivering some of the actions highlighted in this plan.

Vitality, existing global products including Derry / Londonderry's City of Culture status will be further harnessed and energised by EER 2015.



### 3.1 Mainstreaming the EU's Small Business Act (SBA) principles at regional level: Measures for period 2014-16.

Northern Ireland will endorse with enthusiasm and action the principles of the EU SBA. Many of these are highlighted below.

#### Principle 1: To create an environment in which entrepreneurs and family businesses can prosper and entrepreneurial initiative is rewarded.

Northern Ireland currently runs and will continue to expand on the creation of an environment in which *entrepreneurs and family businesses can prosper and where these efforts will be rewarded and celebrated*. Some of the initiatives proposed will Support and encourage small businesses to grow at each critical stage of the business life. Some of the main programmes (details of which will be provided under section 3.2 entrepreneurship) which continue to be implemented through the EER award period and in 2016 are:

- **Re-start initiative- Exploring Enterprise 2**
- **Regional Start Initiative: This will be devolved to councils in support of subsidiarity in 2015.**
- **Social Entrepreneurship: Part - devolved to councils in support of subsidiarity in 2015.**
- **Jobs Fund**
- **Social Enterprise Jobs Fund, Social Economy Franchise Programme and Social Enterprise Hubs**
- **Female / Youth Entrepreneurship - Part - devolved to councils in support of subsidiarity in 2015.**

## Principle 2: Ensure that honest entrepreneurs who have faced bankruptcy rapidly get a second chance

Northern Ireland through Enterprise NI was successful in becoming one of the few delivery partners of the **Start-up Loan initiative** which provides entrepreneurs **who have faced bankruptcy** with the possibility of a new start. As long as their bankruptcy has been discharged, they will be eligible for this new scheme and poor credit history including County Court judgements will not prevent a loan from being granted. Loans up to €11,500 are available at a 6% apr on a reducing balance and this is the cheapest rate available to businesses in Northern Ireland. This measure will be implemented from April 2014 and will continue throughout 2015.

## Principle 3: Design rules according to the “Think Small First Principle”

Northern Ireland has established efficient partnerships, inter-organisational collaboration in order to avoid overlaps and duplication of provision. For example, a collaboration has been established between the 32 Local Enterprise Agency network and the Princes’ Trust in relation to the **Regional Start Initiative** where the Princes’ Trust agreed a point of referral with the LEAs to encourage a seamless implementation of the programme and prevent an over administrative approach for entrepreneurs. The LEA network which has been established for over 30 years with the support of local authorities has developed strong linkages with key organisations throughout NI. Looking into the future, the work between the local authorities, the regional development agency (Invest NI), the third sector and all the stakeholders of the new community plans, will ensure a service provision of all small enterprise support and development in a seamless and efficient manner, ensuring also that the LEA network’s strategic and operational achievements are maintained and developed during 2015.

## Principle 4: Make public administrations responsive to SMEs’ needs

The new local authorities and Invest Northern Ireland recognise that the needs of SMEs in the Economy and in the Invest NI’s / local authorities Economic Development Strategies are fused together, driven by results linked to these key enterprise related objectives:

- To stimulate Innovation, R&D and Creativity so that we widen and deepen our export base;
- To improve the Skills and employability of the entire workforce so that people can progress up the skills ladder, thereby delivering higher productivity and increased social inclusion;
- To compete effectively within the global economy and be internationally regarded as a good place to live and do business;
- To encourage business growth and increase the potential of our local companies, including within the social and rural economies; and
- To develop a modern and sustainable economic infrastructure that supports economic growth.

Local authorities have also lobbied for a simplification of the rules allowing companies to benefit from support to consolidate and develop their activities.

This applies also to European Funding programmes which companies have found very difficult to manage because of specific compliance issues associated with the support. The local authorities through NILGA are contributing to this simplification process through their contribution to the UK Partnership Agreement for the next EU Structural Funds phase and through their negotiation with all the relevant government Departments. The results of this enterprising work will show fully in 2015.

## Principle 6: Facilitate SMEs’ access to finance

Invest NI and its partners have introduced a number of ways to assist SMEs to set up their business, as well as to grow their business. Through its Access to Finance Strategy, they will make available more than £100m to ensure that early stage businesses with high growth potential are not unduly constrained by lack of investment.

- The **NI Small Business Loan Fund** provides between £1K - £50K in unsecured loans to individuals, private companies and social enterprises in the SME and micro enterprise size range.
- The **Growth Loan Fund** provides between £50K - £500K to SMEs that can demonstrate sales and profitability growth, or strong growth potential.
- **Co-Fund NI** provides co-investment of between £250K - £450K at a ratio of up to 50%
- A variety of **Start Up Loans** can provide loans of up to £10,000 to start up businesses and are provided by Enterprise Northern Ireland, School for Start Ups, GLE, The Princes Trust and Rockstar Youth.
- **NISPO Fund** is a £5m fund for seed and early stage capital in the £50K - £250K range.

- **Development Fund – two funds providing loans of £450K - £2m to companies showing strong growth potential**

### **Principle 7: Help SMEs to benefit more from the opportunities offered by the single market**

This principle underpins Northern Ireland's approach to cluster development and cross border economic development as demonstrated through INTERREG IVA programmes. Details of these Interreg Projects can be found under 3.3 Regional Integration).

**Partnership with an EER Region : Nord Pas de Calais won the award for the year 2013** and is a willing partner with Northern Ireland small companies in order to exchange knowledge, practice and experience on projects relating to:

- Social entrepreneurship
- Women entrepreneurship
- Youth entrepreneurship
- Creative industries
- Work on a future Interreg programme to ensure sustainability of this partnership between **Northern Ireland and Nord Pas de Calais**.

### **Principle 8: Promote the upgrading of skills in SMEs and all forms of innovation**

Innovation and skills are at the heart of business growth and Invest NI is committed to drive market-led innovation within the business base and encourage companies to differentiate themselves from the competition. Invest Northern Ireland have Specialist Advisors who will engage local businesses in innovation and R&D, and will offer a wide range of support covering technical, product development, intellectual property, lean manufacturing, design, ICT and collaborative R&D advice, **reflecting the emphasis within Europe 2020 on 'smart growth'**.

Assistance includes **the Design Programme, Proof of Concept projects** (in association with universities), **Innovation Vouchers** (see below), ICT support and help to identify resource and waste prevention savings.

- **Innovation Vouchers Scheme** provides a voucher of up to £4000 to encourage SMEs to engage with one of the 39 public sector Knowledge Providers throughout NI and the ROI to develop innovative solutions to business issues. Typical projects include new product development, product and process improvement and new business model development. To date over 1450 vouchers have been awarded, 860 projects have been completed and an additional 140 projects are in progress. There are four open calls for voucher applications per year and around 300 vouchers are issued annually. This project will form an integral part of the 2015 EER year and will continue thereafter.

### **Principle 9: Enable SMEs to turn environmental challenges into opportunities**

Renewable energies are a major priority in Northern Ireland. On 28<sup>th</sup> February 2014, the UK's Energy Minister referred to NI's coastline as being "central to the drive for economic advantage derived from sustainable energy in these islands". See examples under sustainability in this submission.

### **Principle 10: Encourage and support SMEs to benefit from growth of market**

The purpose of all the partners involved in this application is to improve the NI economy through business development and the creation of jobs. Micro enterprises make up almost 90% of businesses in Northern Ireland and are therefore the foundation of the economy. Invest NI has a wide-range of assistance, both financial and advisory, to help micro-enterprises develop and grow. This comes in the form of a business support enquiry telephone line, workshops, best practice clubs, one-to-one meetings, working with 3<sup>rd</sup> parties and accessible, inexpensive, focussed, research. NILGA and Invest NI will actively pursue the EU's Horizon 2020 Programme, with our committed regional and local partners, as part of the actions under this Principle.

## **3.2 Entrepreneurship**

**Social Entrepreneurship** – Invest NI delivers a Social Entrepreneurship Programme aimed at Capability support for groups considering setting up a social enterprise and those ready to start the business. Business plan development

and start up mentoring support in the first year of trading. Potential of business start grant assistance up to £7k for export potential business starts.

**The Food Network**, based in Belfast, brings together the socially excluded, commercial and public sector funders and renowned artisan culinary restaurateurs, offering apprenticeships and learning in the art and business of local food. This will run in 2014 and 2015. It will address through food education, many social, environmental and economic problems, through entrepreneurship.

**Jobs Fund** provides financial assistance to incentivise new business start-up activity by individuals who reside in Neighbourhood Renewal Areas (NRA) and by young people (16-24) who are Not in Education, Employment or Training (NEET)

**Social Enterprise Jobs Fund, Social Entrepreneurship Programme, Social Enterprise Hubs and Social Economy Franchise Programme** are all aimed at helping social enterprises in Northern Ireland to grow, thereby providing employment and entrepreneurship opportunities.

**Female Entrepreneurship** – Northern Ireland has a huge pool of untapped potential in the female population and currently has the lowest ratio of female to male Total Entrepreneurial Activity rate (33%) in the UK. However, to address this, Invest NI supports entrepreneurship through a variety of targeted marketing initiatives e.g. Sponsorship of business networks and business awards in organisations such as Women in Business NI Ltd and Women on the Move Network. The outcomes of this activity will be that more women will set up and run their own business successfully as well as promote opportunities for business growth in Export markets.

**Youth Entrepreneurship** – Invest NI and **Young Enterprise** work closely with all the education sectors in Northern Ireland to ensure a joined up approach and early promotion of entrepreneurship among our young people, from post-primary to university level. A Youth Stakeholders Group meets regularly to discuss initiatives and drive policy. The importance of creating an entrepreneurial culture which exhibits a positive attitude towards and perceptions of enterprise, and of embedding this culture at an early age through the post-primary and Further Education sectors, is recognised within many policy and strategy papers at the European, UK and NI levels.

**The Advance Programme:** The Advance Programme provides the funding for social enterprise to pay for a young person to work for 30 hours per week at a rate of £7 per hour (plus NIC); the employer also receives £650 at the end of the term to assist with the administration costs which is a total grant package of a maximum £5,323 based on the young person being with you for 24 weeks.

#### Initiatives / working relationships include:

- The **Business Launch Pad** is a programme developed by Invest NI following consultation with individual FE colleges, Colleges NI and the two NI universities. It offers knowledge/skills to young people in the FE and HE sectors providing an accelerator route into business and a successful pilot programme in 2013 recommended continuation of the programme to be offered to all colleges and universities in NI
- **Student Entrepreneurship Awards** – Invest NI works alongside Enterprise Ireland and Intel to deliver an annual business planning competition for young people in the HE and FE sectors throughout NI and RoI.
- **Microsoft Imagine Cup** - the world's premier student technology competition.
- **Global Entrepreneurship Week** – Invest NI operates an annual student enterprise competition for young people aged 11-13 as part of a world-wide campaign to promote entrepreneurship within the education sector.
- **Educational Entrepreneurship Northern Ireland** – Invest NI has a close working relationship with organisations such as YENI, Sentinus and Advantage and provides assistance with a variety of their programmes
- **The Prince's Trust** – Invest NI works closely with PTNI and supports their Celebrate Success Awards
- **“Dragon's Den” for the HE sector** – Invest NI works with the Universities to deliver a Dragon's Den event, where fledgling young business minds seek finance and mentoring from successful entrepreneurs, promoting entrepreneurship, innovation and business skills to students in the HE sector.

Local authorities are targeting key development requirements that reflect the demography of the business sector in Northern Ireland. In that, this is predominantly small business and most of the programmes will be articulated around mentoring and awareness workshops on issues such as:

- **Family Business Programme**
- **Procurement / Supply Chain**
- **Export development**
- **Access to finance**
- **Franchise development**

- Digital development
- Young entrepreneur
- The energy connection
- Sales development
- Agri-food
- Rural Development (through the Rural Development Programme)

The councils deliver a suite of programmes addressing sectors that have been identified as needing extra support and tailored to the sub-region so that any gap in the service provision market is addressed at local level, complementing the more regional programmes. One of the programmes which is currently running and has been identified as an example of best practice is the Aspire programme.

#### **The Aspire Programme:**

This is a business to graduate programme which was developed by local authorities in response to a local need to address graduate unemployment levels, the needs of micro businesses to get help and assistance with the cost of employing a graduate and also, to address the amount of graduates that were leaving Northern Ireland to gain employment abroad. This programme currently run by local authorities has been very successful to date with **60 businesses and 60 graduates** having gained valuable employment experience and jobs created. The programme is currently running and is expected to be rolled out as a cross border initiative with Intertrade Ireland as a pre-programme for Acumen (high level sales and marketing) and Fusion (Technology/high tech driven on an existing product) which are both high level/competence programmes. This innovative programme will be running in 2015 and 2016.(Entreprise point 7).

In consultation with stakeholders in 2012 the Children and Young Persons Early Action document was developed and the Department of Social Development in Northern Ireland proposed 11 signature programmes under its **“Delivering Social Change” initiative**. One of them is the establishment of **11 Social Enterprise Incubation Hubs** servicing areas of multiple deprivation. (£4million). This programme is designed to tackle the lack of local employment by encouraging social enterprise business start-up within local communities. The hubs will offer a range of business advice and practical support to social enterprise entrepreneurs. Locations for the Social Enterprise Hubs have been identified. It is expected that the majority of the Hubs will be operational from April 2014 and will support start-ups for up to two years. <http://www.ofmdfmi.gov.uk/index/delivering-social-change/signature-programmes.htm>

**The Propel Programme:**the Invest NI Propel Programme is aimed at entrepreneurs who have the greatest potential to start up and scale an export focused company. The programme will accelerate the best business ideas through a tested methodology to enable participants, at completion stage, to pitch for investment and do business internationally..

Selected SMEs are offered high quality enterprise development training workshops, one-to-one mentoring advice, networking opportunities, overseas market visits and access to expert knowledge and skills. It also offers financial support of up to £20K for marketing activities, consultancy, employment/key worker, working capital and salary.

The Propel programme is aimed at high calibre entrepreneurs who have the passion and energy to succeed on an international stage.

The next call for applications will open in August 2014 and this programme will continue during the whole EER year and into 2016. <http://www.investni.com/propel-programme.html>

### **3.3 Regional integration and cooperation: Partnerships**

Partnership is at the political, practical and commercial heart of this application and it brings together public, private, voluntary and community partners who have been working together for many years.

NILGA has established willing partners ensuring that the silo mentality is removed, replaced by constructive dialogue and cooperation.

Since 2011, a joined-up approach exists in practice, ministerially and cross municipality endorsed, whereby many programmes and projects where regional, sub-regional and local stakeholders work seamlessly in order to ensure that the funds available are spent efficiently and that projects do not overlap.

This excellent relationship between the above mentioned partners has contributed to the vision for entrepreneurship that has been developed in Northern Ireland and in which every stakeholder plays a significant but distinct role.

The on-going reform of public administration means that the 11 new councils will implement this vision at local level through their new community plans which will include a board with representatives of all the stakeholders. This

represents a unique opportunity for Northern Ireland as a region to use funds and deliver projects and programmes in true partnership spirit and in a coordinated manner.

The programmes currently developed at regional level will then naturally flow through this community plan system and be delivered by the most appropriate agents under the control of local authorities which have a duty to deliver 11 community plans throughout Northern Ireland from 2015.

### **EU Partnerships:**

Northern Ireland has been the recipient of EU funding since 1980. The Region has benefitted from 3 rounds of structural funds and from exceptional programmes such as the Peace Programme which aimed to encourage peace and reconciliation in Northern Ireland. The EU has also contributed to the International Fund for Ireland which helped lay the foundations of the Local Enterprise Agency Network, therefore, introducing an entrepreneurship culture to Northern Ireland during years of unrest and reliance on the public sector.

Local authorities were given the authority to use European Funding from 1994 through their local economic development powers and this fostered strong collaboration at local and sub-regional levels, including the creation of clusters leading to EU applications for funding.

On 1 May 2007, President Jose Manuel Barroso announced a European Commission Task Force for Northern Ireland, the first time there had been a specific task force for a single region in the European Union. The original remit of the Task Force was to support the peace process by helping the region to generate jobs and economic growth and hence to increase Northern Ireland's competitiveness. President Barroso announced the Task Force's continued commitment to Northern Ireland in December 2010 with the additional explicit aim of improving engagement with EU institutions and, indeed, with other member states and organisations within those member states. EU funding is seen as a key element of the process.

The 2011-2015 Programme for Government committed the Executive to a target of increasing the drawdown of competitive EU funding by 20% over the lifetime of the current Assembly.

To this day local authorities and their partners have benefitted from three different levels of funding:

- Cooperation between Local Authorities with sub-regional networks like SEED (a group of 7 councils in South East Northern Ireland working together for and with local businesses)
- Cross border programmes with the Interreg programme eg Renew (processing wastes and new technologies),
- Transnational programmes under funds such as the Northern Periphery programme, locfood (the lead partner is Nordland in Norway).

Local Councils have developed a number of programmes **which are currently on-going and will continue during the EER year with extensions beyond that period once the new Structural/ cohesion/territorial funds are in place.**

These include:

**Innovation and growth programme (Interreg IVA):** a group of 8 councils offering SMEs the opportunity to source new products, secure new raw material suppliers and gain distribution rights. SMEs have worked with countries such as the USA, Pakistan, Bangladesh, china, Scotland and England.

**Creative Edge Programme (Northern Periphery Programme):** <http://www.creative-edge.eu/> the main objective of the project is to promote the active participation of local creative organisations and businesses in global markets, while also aiding them in their ability to attract and utilise local emerging creative talent in these markets. The activities of the project enable the further commercialisation, and support the sustainable development, of the creative economy. (Partners are Northern Ireland, The Republic of Ireland, Finland and Sweden)

**The Business Boot Camp Programme** is an Interreg cross border Programme with the Republic of Ireland initiated and run by local authorities for 16 to 25 year olds. It will run until March 2015. The programme has two phases: Boot Camp Start and Boot Camp Grow. A video has been created to advertise the programme and it can be accessed by clicking on the following link. <http://www.advantage-ni.com/Public/Other-Advantage-Programmes/Boot-Camp>

**Life Science Supply Chain Project INTERREG IVA Cross Border Programme):** The Life Sciences supply chain project aims to develop the economy throughout the East Border Region by improving the abilities of local micro, small and medium sized enterprises to work with and supply major global and indigenous Life Sciences companies. It is led by Craigavon Borough Council in partnership with East Border Region Ltd across 6 council areas. Partners are: Craigavon Borough Council, Banbridge District Council, Down District Council, Newry and Mourne District Council, Meath County Council (ROI) and Louth County Council (ROI). <http://www.supplychainlifesciences.com/>

**Plato (Interreg IVA Cross Border):** The PLATO EBR Programme is a business development programme providing opportunities for networking and management development to SME's throughout the East Border Region. The programme offers owner managers a business support forum where they can network and discuss business ideas with established large 'parent' companies in the region. These 'parent' companies are leaders in their industry sectors, and support the programme by sharing their skills and experience within the network. The programme also provides participant companies with an opportunity to work through a 12 month dedicated improvement plan for their business with the support of a dedicated Group Coordinator, key leaders in local industry, project staff, trainers and mentors. <http://www.platoebr.com/>

**The iOTA Programme:** The iOTA Programme provides a cross border programme of innovation support to potential/existing SMEs and micro enterprises throughout the East Border Region. **The iOTA Programme** will be delivered on behalf of a cross border partnership involving 9 Local Authorities in the East Border Region and is supported by the **INTERREG IVA Programme** managed by the Special EU Programmes Body and delivered by East Border Region Ltd. <http://www.iotaprogramme.com/>

### **Partnership with another European Entrepreneurial Region: Nord-Pas-De-Calais**

NILGA has established a partnership with the successful Entrepreneurial **Region Nord-Pas-De-Calais** in France in 2013. There are a number of similarities between our two regions including a common industrial past based on industries such as the linen industry, and on the need for the development of social entrepreneurship and skills for minority groups such as women and young people without qualification (NEET group). Our two regions have now agreed to exchange knowledge, practice and experience on these issues and to work on a future Interreg programme to ensure sustainability of this partnership between Northern Ireland and Nord pas de Calais.

A letter of support from the Region is attached to this application and highlights succinctly our plans for the future. A fuller plan will be developed in due time.

## **3.4 Sustainability:**

Sustainable development means being able to continue indefinitely by minimising environmental and social impacts and ensuring financial stability.

Developing a business more sustainably can help reduce costs, control risk, improve your reputation and create new business opportunities. For example, you might reduce your use of energy or raw materials, use renewable alternatives and make the best of new markets for innovative or better performing products. As well as helping the environment and society, becoming more sustainable directly benefits the financial performance of your business.

Invest NI and its partners deliver a number of programmes which are available to NI businesses with total annual expenditure of more than €32.5K on water, energy, waste and raw materials. Companies who do not meet this threshold are re-directed to local council programmes, one of which will form part of this application.

### **Regional Invest NI initiatives currently running and which will be continuing during the EER year and 2016:**

- Resource Efficiency Advisory Service – this delivers impartial advice and information by Technical Advisors
- Resource Efficiency Audits – free audit to identify and prioritise projects to reduce the cost of water, energy or materials
- Implementation Support – access up to 5 days free technical consultancy to help take forward projects that will realize cost savings
- Resource Efficiency Capital Grant – this is available to **Invest NI Client Managed companies only** with a total annual expenditure of more than £32.5K on water, energy, waste and raw materials and provides up to €44K to support those SMEs already being supported by Invest NI to purchase/install new equipment to reduce their water and material costs
- Energy-Efficiency Loan Scheme – this is open to the **wider business base** of companies trading for at least a year, with a few exceptions. It provides interest-free energy efficiency loans of between £3K-£400K available through the Carbon Trust
- Industrial Symbiosis Services –part funded by ERDF, this is open to **all businesses in NI** and generates opportunities to identify and match excess resource in one business, such as waste, transport, storage, skills, production capacity or energy, with another where it could be profitably used.

### **Local Council-led projects in this field of sustainable development during the EER years:**

**The STEM Project:** The STEM Project is part financed by the European Union's INTERREG IVA Cross Border Programme managed by the Special EU Programme Body. The STEM Project will engage with 220 businesses across

11 cross border Council areas: Businesses who sign up to the STEM Project (Sustainable Together through Environmental Management) can choose one of two options: Savings and Systems.

Regardless of which option a business chooses, they will each avail of up to 5 days site specific support from a dedicated Environmental Officer.

**Savings:** Each business will be assigned a designated Environmental Officer who will help identify cost savings in the areas of Energy, Waste and Water. The Project aims to save a business on average £2,850 / €3,420 per year in these areas.

**Systems:** The STEM Project is renowned for its expertise and efficiency in implementing Environmental Management Systems (EMS). The process of implementing an EMS is project managed by the STEM Team right through to the audit stage. The STEM Project has appointed an independent audit company to audit the system whether it is ISO 14001 or BS 8555. The STEM Project will also support the financial cost of the audit in the first year.

**Giant's Park Environmental Resource Park** is an innovative regeneration project to transform the former Waste Landfill site, to eventually create 65 acre environmental business cluster in the City. The aim of this project is to build new access roads and to prepare 30 acres serviced sites in phase one for disposal to the emerging cleantech environmental technology sector, focussing on resource management, recycling, renewable energy, and R&D. It is in response to a growing demand for industrial sites located close to the City, Belfast Port and the motorway. It will create opportunities for private sector business creation and expansion that will provide new green collar jobs for the City. The components of the project comprise 1,734m of access roads, preparation works to create development sites and marketing the environmental technology cluster.

In terms of priorities and aims, these will be:

- Sustainable Reuse of a brownfield site Infrastructure provision and site preparation to minimise future development risk
- To address market failure to establish a cleantech environmental cluster
- Establishment of an environmental community, with key anchor tenants, and mutually supportive supplier linkage and presence;
- The fostering of a unique partnership community for the environmental sector, with key linkages to QUESTOR, the NI Universities, FE Colleges and research centres;
- Attract cleantech companies with an emphasis on resource management, recycling, environmental technology, renewable technologies, R&D, Incubator and post incubator space.
- Creating a platform for marketing of Northern Ireland as a "Cleantech Region",
- Wealth and job creation within the sector;
- To facilitate engagement between businesses and the education sector in order to determine and meet skills demands within the cleantech sector,
- Complement and support the wider renewable investment at Belfast Harbour, Establish linkages with wider European networks to support collaboration and encourage the exchange of best practice.

## 4. Communication Strategy:

Below is a list of proposed activities for the period immediately before, during and after the EER period. These initial proposals are subject to refinement closer to the time and are neither confirmed nor complete at this stage.

- The existing partnership based on over four year's strategic and operational experience with our submission partners and stakeholders will ensure very local, regional, national and trans-national communication embodied with simple, effective, clear messages and outcomes.
- A time-bound, output driven **communication work plan** will be established and key milestones including launch and promotional events will be aligned from October 2014 – December 2016, illustrated by celebratory events.
- If awarded EER Status, NILGA and its partners will organise an official, Northern Ireland wide launch of the initiative, involving high ranking officials from the Region and from Europe.
- Video streaming, blogs and social media using bespoke sites and the NILGA EU Portal will ensure contemporary, co-ordinated, interactive, accessible, monitored, content.
- If successful, [www.nibusinessinfo.co.uk](http://www.nibusinessinfo.co.uk) will carry the EER logo to promote the initiatives highlighted in this application. This website received over one million hits in 2013 and it is expected that this rate will increase in 2014-15.
- The current Go For It campaign which promotes a suite of entrepreneurship programmes and Invest NI's Regional Start Initiative via television marketing, press advertising, bus livery, billboards and website will continue to advertise this entrepreneurial programme until 2015 and will be reviewed thereafter.
- Invest NI is actively involved in Global Entrepreneurship Week every year in November. This event targets young people in post-primary education, challenging them to come up with new business ideas. This is a Northern Ireland wide initiative and it attracts many post-primary schools in Northern Ireland. This event promotes Northern Ireland as an EER region with the young public and the whole education sector.
- Each of the 11 sub-regional areas will support the regional communication plan, through utilisation of the above, and distinct local celebratory events.
- Elected members including the 2 NI members of CoR will be communication champions for the EER award throughout 2015.
- A NI wide, two tier government launch will take place in Parliament Buildings, Stormont, involving our MEPs, the Economy Minister and her cross – Party colleagues, as well as local politicians, with a communication emphasis being to put forward the businesses, entrepreneurs and support bodies which embody Northern Ireland's element of European Enterprise.
- Our relationship with Nord pas Calais will be celebrated through a recognition and partnership visit to NI, which will be reciprocated (2 events in 2015). The outcome of these visits will be further identification of enterprise links leading to sustainable jobs in the respective local economies as part of a four year Action plan until 2020. The letter of support from Nord pas the Calais clearly highlight the wish to invite a Northern Ireland delegation to learn from the EER 2013 experience and to work on common interest projects.
- In 2016, a completion event will encompass the knowledge and experience amassed over the duration of the Award period will take place, emphasising the multiple partners and importantly being filmed for dissemination on the Web, including the "NI EER Award Outcomes Report" supported by all partners.
- The Northern Ireland European Regional Forum is a unique platform created under the auspices of the Barroso Task Force and a long term vision from Belfast City Council and it brings many players and stakeholders together to promote cooperation and communication of EU opportunities. It allows practitioners from all sectors to collaborate on projects and to disseminate information on them as well as to seek additional partners when necessary. This platform will be used as part of the EER Communication Strategy.