
Supporting the Implementation of Cross-Border Collaborative Frameworks: Newry- Dundalk Sub-Region

Strategic Overview and Cross-Cutting Themes



19 June 2008

Strategic Overview and Cross-Cutting Themes

Table of Contents

Introduction.....	1
Inter-Jurisdictional Cooperation.....	1
Cross-Border Cooperation in the Newry-Dundalk Region.	2
Looking to the Future.....	4
The Creation of a Common Inter-Jurisdictional Data Base.	5
A Coordinated Approach to Sustainable Economic Development.....	5
The Harmonisation of Legal and Institutional Frameworks.....	7
Moving Forward.....	7
Framing Further Cooperation.....	8

Introduction

The EU's *Charter of Border and Cross-Border Regions* argues that border regions have often not been able to realize their full development potential because of their peripheral location relative to the capital city and other national development poles. This is certainly the case in Newry and Dundalk, each of which is at the end of their national segment of the Belfast-Dublin corridor. In spite of infrastructure improvements that have improved access to the island's two major cities, development in Newry and Dundalk and their immediate hinterland has lagged behind northern and southern economic growth.

Co-operation can help reduce the disadvantages of a border location and improve the areas' competitiveness and the living conditions for their population.¹ The main challenge facing inter-municipal collaboration in cross-border regions lies in the *legal and institutional differences* that commonly occur across borders. Bringing them into harmony may require decisions at the national government level that support the interest of the local parties in coordinating their development strategies.

Moreover, there is a growing interest on the part of the local authorities on both sides of the border and major stakeholders, including the two Chambers of Commerce, on the need to establish a cross-border regional cooperation strategy. A 2006 jointly funded study explored the potential of a "twin-city region" with a sufficient critical mass to attract investment, service the needs of the cross-border region and become a growth pole in its own right.² In 2007, the International Centre for Local and Regional Development selected the Newry-Dundalk region as part of a series of studies of cross-border development issues on the island of Ireland. The purpose of the studies was to identify ways to promote further collaboration among the local authorities including specific joint activities that would further the harmonization of cross-border development strategies.

This working paper summarizes the key issues that have been defined in the course of the study, suggests new opportunities for future cooperation between Newry and Dundalk and provides recommendations on the institutional mechanisms and reinforcing actions to incrementally build a lasting framework for cross-border cooperation.

Inter-Jurisdictional Cooperation

Most European countries, at the urging of the EU, have prepared large-scale spatial development strategies to enhance their economic competitiveness and achieve spatial development strategies that are more efficient and responsive to environmental concerns. Achieving the 1999 ESDP objective of "balanced and sustainable development of the territory of the European Union" poses daunting challenges as it presupposes cooperation among national, regional and local levels of government. Moreover, localities that are part of a regional sub-system – a transportation axis such as the Belfast/Dublin corridor, for example – are more often than not competing with each other to capture a share of the development potential sectors. Obtaining the consensus needed to implement a regional strategic vision, especially on a cross-border basis, is a long-term process that requires

¹ A number of successful European cross-border initiatives were documented in the ICLRD report *Spatial Strategies on the Island of Ireland: Development of a Framework for Collaborative Action* (December 2006).

² *Newry-Dundalk 2006: a New Perspective on the Development of the Region*. Colin Buchanan et al, 2006.

cooperation among national and regional levels of government

Promoting *voluntary cooperation* between government departments and adjoining municipalities can be achieved by demonstrating the mutual advantages that working together can achieve. Experience, in the United States in particular, has shown that voluntary cooperation among adjoining municipalities can be fostered effectively when driven by the need to respond to a perceived common threat to the communities' quality of life – typically, an eroding economic base or the disappearance of open space – or the need to respond more effectively to new economic prospects through a pooling of resources.³ Successful regional partnerships have depended on the ability of the local leadership, representing both public and private sectors, to

- Identify common themes to be addressed;
- Build coalitions;
- Document and diagnose common problems and interventions;
- Secure financing for joint actions; and
- Marshal civic support.

In reviewing the experience of European cross-border cooperation in Europe, the French *Mission Opérationnelle Transfrontalière*⁴ concluded that the most successful examples had succeeded in:

- Improving the mobility of the population through the creation of cross-border public transportation;
- Providing partnerships for the delivery of public services that reflected development patterns rather than political jurisdictions;
- Promoted new economic activities by standardising regulatory measures;
- Achieving a more harmonious development pattern by coordinating of land regulations and access to social housing;
- Facilitating cross-border educational and cultural exchanges.

Cross-Border Cooperation in the Newry-Dundalk Region.

Located at the centre of the Dublin-Belfast corridor, the Newry and Dundalk region includes neighbouring towns, such as Banbridge to the north and Dogheda to the south. With the new A1/M1 improvements, travel time between them is on the order of 20 to 30 minutes by car and 19 minutes by train. With a combined 2006 population of 63,360 they are the economic centres for the nearly 117,000 people living in their hinterland.⁵ While there has been a significant decline or stagnation in such traditional economic sectors as agriculture and manufacturing, there has been a healthy growth in construction and service jobs, particularly in Dundalk and County Louth. Yet, with unemployment rates of 11% in County Louth and 3% in the Newry and Mourne District, social inclusion is a common problem shared by the region.⁶ Although neither city has the critical mass to

³ See Porter, D. and Wallis, A., *Exploring Ad Hoc Regionalism*, Cambridge, MA, The Lincoln Land Institute, 2002 and Wallis, A., *The New Regionalism: Inventing Governance Structures for the Early Twenty-First Century*, University of Colorado, 2007.

⁴ November 2007 European conference on *Cross-Border Territories: Day-to-day Europe*.

⁵ See Working Paper 2, "Regional Profile and the Socio-economic Dynamics of the Newry-Dundalk Region."

⁶ Northern Ireland and the Republic of Ireland use different methodologies for determining unemployment rates.

Although 3% unemployment for Newry and Mourne is low, the inactive workforce rate is 35%, significantly over the 30% average for Northern Ireland.

meet the criteria of a “Gateway” in the Republic of Ireland National Spatial Strategy or a “Main Hub and Inter-Regional Gateway” in Northern Ireland’s Regional Development Strategy, taken together they clearly have the potential to become a major growth pole as defined in the two spatial strategies.

Population and Workforce in the Newry-Dundalk Sub-region

	Population	Employed Workforce
Newry (2005)	28,274	11,872 ⁷
Dundalk (2006)	35,085	16,193
Sub-Region	169,577	73,928

Sources: RoI Census, NI Census and Regional Forecasts

More importantly, there is an evident commitment to cross-border cooperation among the four concerned local authorities: Newry City, Dundalk Town, the Newry and Mourne District Council and County Louth. In addition to commissioning the Colin-Buchanan report, County and Council executives and their senior managers have started meeting on a regular basis to discuss joint projects. Two Councillors, from County Louth and Newry and Mourne District, spoke to a EU conference on cross-border cooperation in Lille in November, 2007.

In the context of this research, major themes capture the potential benefits of voluntary regional cooperation for the Newry-Dundalk Sub-Region:

- Regional competitiveness;
- Sustainable economic development;
- Preservation of the natural and cultural heritage;
- Improved community cohesion;
- Increased efficiency resulting from the coordination of infrastructure investment.

The importance and benefits of regional cooperation in Newry Dundalk became manifest in a series of interviews and panel discussions involving key stakeholders, including the private sector, organised by the ICLRD research team during the initial phase of this research. Officials from both sides of the border became actively involved in shaping potential cross-border projects based on sustainable energy, sustainable economic development, international services; infrastructure provision and regeneration funding and investment:

A similar spirit is evident among the private sector and the two Chambers of Commerce have taken a proactive role in developing a regional identify. The Dundalk Chamber’s annual conference in November 2007, entitled *Border Vision Gateway*, offered an opportunity for speakers from the North and the South, to discuss opportunities for Newry Dundalk cooperation. The 2006 *Strategic Vision for the Greater Newry Area* also speaks to cross-border cooperation. The 2007 and 2008 cross-border speed network facilitated by InterTradeIreland offers opportunities for businesses from Newry and Dundalk to develop joint business activities.⁸ Articles and inserts sponsored by the chambers in the newspapers have stressed the importance and benefits of regional cooperation.

⁷ Workforce for Newry in 2005 is calculated using Regional Forecasts employment figures for Newry and Mourne District and applying the same ratio of city to district jobs as in the 2001 Census.

⁸ InterTradeIreland provides support for such activities.

This interest became manifest in the interviews and panel discussions noted above. Officials from both sides of the border became actively involved in identifying five joint interventions:

1. Geo-Tourism and the management of a shared landscape and natural heritage to safeguard the geological assets and the natural resource of the Mournes, Cooley, Slieve Gullion and Carlingford Lough and develop their tourism potential.
2. A Newry-Dundalk *centre of excellence* to create a sustainable energy community linked to the work of Sustainable Energy Ireland (SEI). The Newry and Mourne District Council signed the Charter in December 2006 and both municipalities are eligible for EU Concerto funding to position them as island exemplars.
3. A Newry-Dundalk *cross-border international services zone* linked to international financial and other related services.
4. A coordinated *regeneration strategy* for older areas in Newry and Dundalk to simultaneously promote the distinctiveness of the two cities and further the complementarities of their respective urban functions and sectoral mix.
5. Cross-cutting programmes such as *Infrastructural improvements* to capitalise upon the A1/M1 corridor to facilitate economic linkages between Warrenpoint-Newry, tourism linkages into the Carlingford/Cooley Peninsula area, and support the infrastructure needs of other strategic cross-border projects, including a potential Geopark. Skills, Education and Training is another critical cross-cutting programme that is critical to creating a qualified work force for the sub-region.

These initiatives are described in Working Papers 5 through 10. They represent a new level of public sector leadership among the three local authorities of Dundalk Town Council, Newry and Mourne District Council and Louth County Council. The County and Town Council executives and their senior managers have taken an impressive step in meeting on a regular basis to discuss joint collaborative projects. Similarly, civic and business entrepreneurship is evident from the proactive role of the two Chambers of Commerce in building a regional identity.

Looking to the Future

Each of the five projects identified for initial adoption have developed their own set of networks and the coalitions necessary to move from concept to implementation. The specificity of the projects selected was important in building a common approach to cross-border collaboration. However, they should be viewed as the *first step in addressing the more complex issues of the long term management of the region and furthering its economic progress*.

Moreover, a successful cross-border regional strategy requires the involvement of the central government departments as well as that of local officials, civic leaders and the private sector, all working in a dynamic partnership in order to implement an agreed action agenda. A cross-jurisdictional, multiple stakeholder approach in Newry-Dundalk will require a number of key components including:

- The creation of a common inter-jurisdictional data base
- A coordinated approach to sustainable economic development
- Joint actions to implement common objectives;
- The harmonisation of legal and institutional frameworks.

The Creation of a Common Inter-Jurisdictional Data Base.

Promoting inter-jurisdictional collaboration comprises analytical and negotiation components that are often best conducted by an designated party that is viewed as an impartial participant in the process. The tasks involved consist in:

- Analyzing development trends affecting the municipalities and distinguishing those that are common to them;
- Identifying the potential advantages that would result from the adoption of shared development strategies;
- Selecting joint interventions that can range from coordinated land development regulations to economies of scale in sharing public services;
- Quantifying the benefits of collaboration.

The 2006 ICLRD study commissioned by InterTradeIreland to identify the potential for a collaborative action framework to harmonise the spatial planning strategies in Northern Ireland and the Republic of Ireland stressed the importance of developing and sharing of common information, a critical step to allow the formulation of common spatial strategies and allow cross-border collaboration. This was followed by the preparation of an atlas that mapped information available in the censuses that provided the first depiction of spatial trends in the two jurisdictions.⁹ The compilation of large-scale characteristics and trends provided by the two jurisdictions' censuses proved of great value in developing further ICLRD's cross-border activities.

The assembly and analysis of information required for decision-making at the local level – land use; construction activities; work force characteristics, including educational levels; income; housing conditions; infrastructure and the delivery of public services – is only partially available from census data. An effort will have to be made to jointly undertake the gathering of the required information and providing the technical staffs of the local governments with GIS and DMS support.

The sharing of information between the Newry and Dundalk sub-regions will allow the compilation of compatible projections of future trends as a first step to identifying common economic and social development strategies and land development strategies.

A Coordinated Approach to Sustainable Economic Development

The formulation and adoption of common comprehensive policies to safeguard a shared high quality natural landscape and manage land development in the Newry-Dundalk sub-region is necessary to attract inward investment and protect its potential as a tourism destination. This is dependent on a coherent integrated approach whereby policy makers recognise the mutual benefits of collaboration to the region's and the all-island economy. The cross-border thinking that has developed at the local level should be replicated at central government level. In this regard a closer working relationship between the respective planning administrations in devising development plans and environmental policies will be important to the sustainable development of the sub-region.

⁹ Justin Gleeson, Rob Kitchin, Brendan Bartley, John Driscoll, Ronan Foley, Stewart Fotheringham and Chris Lloyd, *The Atlas of the Island of Ireland: Mapping Social and Economic Change*, All-Island Research Observatory and International Centre for Local and Regional Development, 2008.

The common initiatives that have been identified by the Steering Group should be seen as having the potential to lead to a broader inter-jurisdictional collaboration on specific, commonly agreed upon projects that define further topics relevant to the economic and social development of the two jurisdictions. These include:

- *Undertaking new activities that are of mutual benefit.* The proposed Newry Dundalk International Services Zone and the Sustainable Development Project are initiatives which have the potential to place the sub-region at the cutting edge of innovation based on exemplars of best practice. Identifying other complementary economic activities based on the sub-region's locational advantages and its institutions of higher learning.
- *Transportation improvements.* The desirability of constructing the Southern Relief Route and Narrow Water Bridge are examples of key infrastructural projects funded by central government that are of mutual interest and importance to the economic positioning of both Newry and Dundalk. Intended to facilitate linkages within the sub-region and the economic corridor these projects will have significant impacts on the development and investment potential. Adopting an agreed position on the positioning of both projects will ensure an equitable sharing of benefits and reinforce collaboration between the two jurisdictions.
- *The protection of the environment based on sustainable development and investment approach.* It is expected that the experience gained in the joint management of environmental assets, including the unique landscape and natural heritage of the sub-region, can be extended through mutually agreed policies to facilitate other sectors of the economy such as tourism development and leisure. An opportunity exists to promote smart growth based on mixed-use developments that reduce travel to work catchment areas.
- *Affordable housing.* The economic growth of the Newry-Dundalk sub-region is partially dependent on the critical mass of a labour force that will live and work on either side of the border. An adequate supply of housing, including an affordable component, is essential for attracting key workers. One of the outputs of a common inter-jurisdictional data base will be the ability to forecast housing demand in the sub-region with greater accuracy. The ability of the two jurisdictions to meet this demand will require the joint action and support of the relevant authorities and agencies responsible for social and affordable housing provision in the North and the South.
- *The provision of public services, including solid waste management, public transportation, higher education and health.* Similarly, in spite of the obvious economies of scale that have been demonstrated in several European cross-border projects, the harmonisation of the delivery of public services requires the accord of higher authorities. Success is however dependent on initiatives originating at the local level, in Newry and Dundalk.

The Harmonisation of Legal and Institutional Frameworks

The main challenge facing inter-municipal collaboration in cross-border regions lies in the legal and institutional differences that commonly occur across borders. Bringing them into harmony requires decisions at the national government level that support the interest of the local parties in coordinating their development strategies. The main issues that have to be resolved to ensure full cross-border cooperation consist of:

- Identifying legal and administrative procedures on each side of the border that may hinder cooperation;
- Quantifying the impact of differences in fiscal regimes; and
- Proposing solutions to institutional obstacles.

Ideally, the Sub-Region should have a more integrated institutional framework to minimize the differences between its two components and create a framework that does not favour one side or the other for the location of new economic activities. While the local authorities are best situated to identify institutional obstacles and propose ways to overcome them, only the central governments in the North and South have the authority to adopt the necessary reforms to facilitate a balanced cross-border location of new economic activities. For example, while the proposed International Services Zone would be a joint project between Newry and Dundalk, the more hospitable fiscal climate in the South would favour the latter. Even though the jobs created by new economic activities would benefit the entire sub-region, they will tend to locate in the South unless matching fiscal advantages are offered by the Northern jurisdiction.¹⁰

In the absence of a comparable fiscal climate between the North and the South, a voluntary sharing of the fiscal benefits of new development between the two local governments is worth studying. It has been used successfully in the Minneapolis-St. Paul metropolitan region in the US. The new EU institutional instrument to facilitate cross-border projects, EGUG, should also be explored in the future.

Moving Forward

Voluntary cooperation based on mutually agreed upon development priorities offers opportunities for a planning approach that takes a rational view of the dynamics of development and a non-aggressive institutional stance. Rather than creating a formal institution, it depends on coalition building and defining specific interventions that have clear mutual benefits. Newry and Dundalk have followed this approach to identify leading projects such as the creation of the Geopark and exploring the expansion of the Dundalk sustainable energy initiative (Dundalk 2020 Charter) to Newry.

These initial steps should be expanded to promote a thriving, vibrant, healthy and sustainable cross-border community.

¹⁰ Add note on possible advantages of firms from respective jurisdictions locating within Newry or Dundalk given existing relationships within each jurisdiction.

In this regard the project delivery mechanisms outlined in the main body of this report stress the importance of an inclusive stakeholder involvement to achieve consensus. Specifically, it is suggested that a bottom-up approach led by local government and business leaders should be reinforced by the top-down commitment provided by central governments. Engagement and commitment of the Northern and Southern administrations is crucial to provide the impetus, guidance and resources needed to implement cross-border interventions in partnership with the local governments. The review of local administration in Northern Ireland may result in local authorities assuming greater responsibility for local economic development on a par with their local government counterparts in the Republic of Ireland.

The interest of the central-local government model that is currently being put in place in Northern Ireland is its appointment of senior personnel from DSD and DRD to work specifically with local government and other stakeholders in the Newry area on matters relating to spatial planning, infrastructure and regeneration. Direct access to central government representatives should be reflected across the sub-region with regular dialogue on a cross-jurisdictional basis to secure the need for joined up thinking and action.

Framing Further Cooperation

The two jurisdictions should continue their existing cooperation by building on the light administrative structure that has evolved during this study. In order to do so, the two jurisdictions should take the following steps to form a light administrative structure to continue and develop their current collaboration:

1. Create a ***Joint Working Group*** modelled on the Steering Committee established for this study. It should be composed of representatives of the Newry-Bourne District, County Louth, Dundalk Town Council, the two Chambers of Commerce and central government representatives. The working group should meet at least twice a year. The Joint Working Group would be responsible for:
 - Developing and adopting a common strategic plan for the development of Newry-Dundalk the sub-region.
 - Facilitating coordination with other central government and cross-border bodies.
 - Identifying areas of future cooperation for the implementation of the strategic plan. These may range from the adoption of common development standards to specific projects, undertaken either separately by each municipality or jointly, to ensure the competitive advantages of the sub-region.
 - Creating consultative mechanisms to ensure the participation of stakeholders and the transparency of the process.
2. Continue and enhance the ***Joint Senior Management Team*** composed of the County managers and Council executives and their senior department heads to develop areas selected for future cooperation into a sequence of interventions to implement commonly agreed strategic. The team will be responsible for the integration of the Newry-Dundalk strategic plan in the National Spatial

Strategy and the Regional Spatial Strategy. It will also ensure the necessary liaison with central government agencies and cross-border bodies.

3. Appoint *Joint Technical Teams* to detail the nature of each intervention selected by the Senior Management Team. Each team will be responsible for:
 - Programming the nature of the intervention;
 - Proposing an implementation sequence;
 - Identifying local and external funding sources for the implementation of both joint and individual projects.

Supporting the Implementation of Cross-Border Collaborative Frameworks: Newry- Dundalk Sub-Region

Working Paper 1

Introduction



19 June 2008

Working Paper 1

Introduction

Table of Contents

Background 1
Aim of this Research..... 1
Methodology 2

Background

This study represents the coming together of two tracks. At the all-island level, InterTradeIreland examined the potential to synergistically link the National Spatial Strategy (NSS) and the Regional Development Strategy (RDS). At the local level, the Buchanan report provided a convincing rationale for co-operation between Newry and Dundalk. This research aims to move both forward by demonstrating how the NSS and RDS can be successfully connected at a local level and what actions, supported by central government, can make the twin city concept a reality. In so doing it is hoped that a transferable model, representing best practice will be arrived at for the benefit of other cross border regions.

The InterTradeIreland report (2006) prepared by ICLRD on *Spatial Strategies on the Island of Ireland: Development of a Framework for Collaborative Action*¹ sets the contextual background for this research. The core finding of the report was the importance of cross-border spatial planning to support economic competitiveness, through joined up delivery of public services and infrastructure. At a European level numerous examples exist of the trend towards strategic regional planning in cross jurisdictional areas – from joint transport infrastructure in Geneva to waste management facilities in the Basque.

On the island of Ireland, the RDS in Northern Ireland and the NSS in Ireland each provides a comprehensive vision of regionally balanced, sustainable economic development, leading to higher living standards for all. Both strategies are now closely aligned with the respective investment programmes (ISNI II and NDP) and each recognises that actions taken on one side of the border will generate spill over effects on the other. Based on the Framework of Collaborative Action promoted in the *InterTradeIreland* report (2006), there is a clear agreement by both governments to work together at the interface of the two strategies to maximise the mutually beneficial synergies that exist. Already this can be seen in the commitment of £400 million by the Irish government for infrastructure investment north of the border.

In the Newry-Dundalk sub-region the concept of a twin-city region is considered to have the capacity to facilitate an integrated approach to the strategic planning needs of the area and to promote a sustainable central corridor strategy on the eastern seaboard². In the planning and development interests of the sub-region the practical benefits of cooperation should be reflected in the cost savings on economic infrastructure; pooling of expertise; sharing of good practice and efficiencies in enterprise development.

Aim of this Research

Building upon the ICLRD study (*InterTradeIreland*, 2006) and the Twin City study the aim of this research set out to demonstrate how a collaborate framework on spatial planning could deliver real benefit at the local level. Specifically it is exploring how local level co-operation backed by regional authorities and central government can build a genuine twin city that will drive growth in the wider sub-region. Ultimately it is practically orientated research that seeks to re-enforce the growth potential of the shared gateway of Newry and Dundalk. In this context the research is assessing the potential to deliver a spatially integrated approach to the management of projects at

¹ Adair, Bartley, Berry, Blair, Creamer, Driscoll, McGreal, Vigier (2006) *Spatial Strategies on the Island of Ireland: Development of a Framework for Collaborative Action*, InterTradeIreland, Newry.

² Colin Buchanan (2006) *NewryDundalk: A New Perspective on the Development of the Region*, Colin Buchanan, Belfast

the local level in the cross-border sub region of Newry-Dundalk.

The research considered the following elements:

- A non-statutory approach to an integrated spatial planning and development framework focused on the benefits resulting from enhanced cooperation between Newry and Dundalk.
- An examination of the existing and potential joint investments in key infrastructure projects.
- Joint analysis and action by stakeholders in areas such as sustainable development, environmental management, trade and investment and regeneration.
- Actions to facilitate promotion, tourism, skills training, education, innovation, business development and the knowledge economy.
- Spatial planning data and research relating to the key drivers influencing development patterns and trends

Methodology

This applied research is organised around a number of phases as follows:

1. Desk study/literature review of journals, policy reports and materials to consider the existing research base related to cross-border initiatives with relevance to the Newry-Dundalk context. Specifically this research will build upon the Colin Buchanan report on the Newry-Dundalk Twin-City which was published in 2006
2. Series of structured discussions and focus group meetings with key stakeholders at policy, business and local community levels involved in the management of cross-border cooperation arrangements to identify the necessary drivers, issues, actions and projects in the Newry-Dundalk sub-region.
3. Highlighting the sub-regional cooperation and potential projects at the ICLRD Annual Conference.
4. Preparation of a series of thematic working papers on the strategic projects which will provide the basis for on-going discussion and review with the key stakeholder groups from both jurisdictions in order to agree decisions on the way forward based on consensus and buy-in to drive the implementation/delivery process.
5. Working closely with key stakeholders and agencies to identify how the structures and operational procedures function and to prioritise those actions that are necessary for effective implementation of key strategic projects that will contribute to a non-statutory integrated spatial planning framework for the Newry-Dundalk sub-region.

The research team reported to a cross-jurisdictional Steering Group at regular intervals. The composition of the Steering Group includes representatives from the cross border bodies (NSMC, *InterTradeIreland*); central government (DOEHLG, DRD and DOE); local government (Dundalk Town Council, Louth County Council, Newry and Mourne District Council); the Chambers of Trade and Commerce in Newry and Dundalk; and the business sector (CBI). The Steering Group is chaired by Mr. Aidan Gough, *InterTradeIreland*.

Supporting the Implementation of Cross-Border Collaborative Frameworks: Newry- Dundalk Sub-Region

Working Paper 2

Regional Profile and the Socio-Economic Context



19 June 2008

Working Paper 2

Regional Profile and the Socio-Economic Context

Table of Contents

Introduction.....	1
Defining the Sub-Region	3
Shared Environment & Infrastructure.....	4
Population	5
Population Projections	6
Housing	9
Social and Affordable Housing	10
Education	11
Economy	12
Unemployment and Social Issues	15
Planning Strategies.....	16
Key issues and Conclusion	18

Introduction

Located at the centre of the Dublin-Belfast corridor, the Newry and Dundalk sub-region benefits from its proximity to Belfast and Dublin and to neighbouring towns, such as Banbridge to the north and Drogheda to the south. The increasing mobility along the corridor and to the surrounding districts and counties, including Armagh and Monaghan, is impacting the regional dynamics and the choices business and residents make in location decisions.

This review focuses primarily on Dundalk Town, Newry City, County Louth, and the Newry and Mourne District. Examining the two cities in relation to each other and to their more rural regions provides valuable insight into the sub-region's current and future profile. The working paper draws on various statistical sources as well as structured discussions with stakeholders in Newry and Dundalk. Many figures and insights derive from the following sources:

- Republic of Ireland Census (2002 and 2006)
- Northern Ireland Census (2001 and projections)
- Newry & Mourne Area Draft Plan (2015)
- Louth County Council Development Plan (2003-2009)
- Newry and Mourne in Focus: Economic Profile, September 2007 Draft, Regional Forecasts

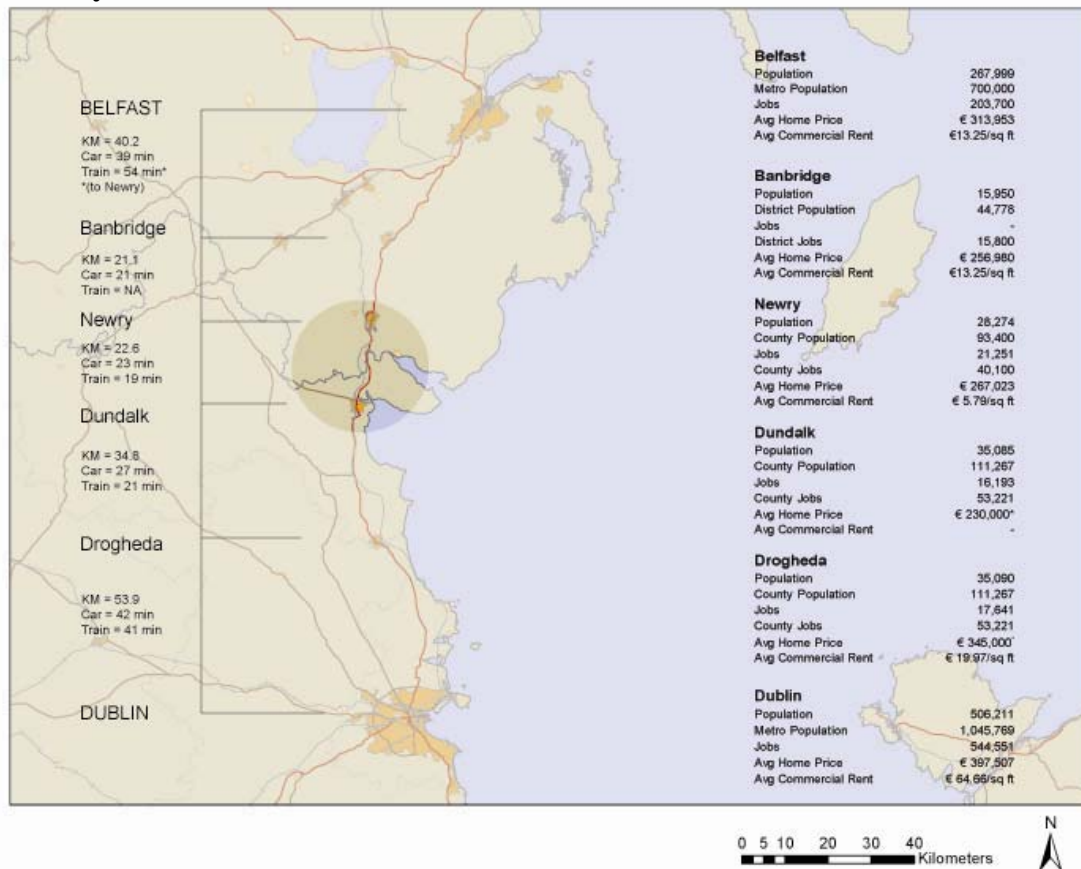
Incompatible data complicate the development of a joined-up socio-economic profile of the sub-region. As noted in the recently published Atlas of the Island of Ireland, census and other data collected in Northern Ireland and the Republic of Ireland “have often been collected using different questions, at different time intervals, and aggregated into different spatial units.” Given the rapid change that has occurred in the last five years, the 2001 census for Northern Ireland and the 2002 census for the Republic of Ireland, while offering a comparable time frame, cannot offer an up-to-date picture of the socio-economic dynamics of the Newry and Dundalk sub-region. Furthermore, this paper makes projections into the future based on limited points in time, available local government projections, and a variety of assumptions. They should not be read as a prediction of the future, but rather as a set of potential outcomes for the sub-region based on stated assumptions. Often small variances in assumptions will produce dramatic differences in outcomes when projected out for 15 years. Initial findings are helpful for underpinning the choice of projects for co-operation:

- **Regional Environmental Management:** The sub-region shares important environmental amenities that require collective management to protect them and to maximize tourism and recreation benefits.
- **Sustainable Energy:** Pollution, Greenhouse Gas Emissions and rising energy prices do not respect national borders. A joined-up approach to sustainable energy can help the sub-region to acquire funding and can help it to emerge as a leader in sustainability.
- **International Services Zone:** This globally growing industry needs a critical mass to develop in the sub-region and cooperation to attract firms.
- **Up-skilling the workforce:** Similar to trends in other EU counties, the Newry and Dundalk region is experiencing a decline in agriculture and manufacturing jobs needs to prepare its workforce for the 21st century global economy.
- **Shared Infrastructure:** The sub-region shares important road, port and air infrastructure. Co-operation can help it to make the highest impact investments at the lowest cost.

- Urban Regeneration: Both Newry and Dundalk are expected to absorb significant population growth in the near future to create a more sustainable region and a pole to counterbalance Belfast and Dublin. This countervails the recent trend of most growth occurring in rural areas. The sub-region will have to work together to encourage urban rather than rural population growth.

The shared environmental and infrastructural resources and mutual goals of more spatially balanced growth argue for closer co-operation and more integrated development within the sub-region.

Newry and Dundalk on the Dublin Belfast Corridor



Note: Travel times and distances are from each urban centre to the next, travel times based on schedules and Google map for road travel. Average home prices and commercial rents are drawn from various internet sources.

Newry and Dundalk: Regional Context



Defining the Sub-Region

To provide a regional context, the map above provides some key indicators of recent data including population, jobs, travel distances and time between the urban centres along the corridor. As cross-border urban centres, Newry and Dundalk are 23 km from each other, centre to centre. With the new A1/M1 improvements, you can now travel between the two towns in 25 minutes. Their respective train stations are 19 minutes apart and a bus ride now takes anywhere from 20 to 30 minutes depending on the time of day.

Both the National Spatial Strategy and the Regional Development Strategy project strong population and job growth for the Newry and Dundalk sub-region and try to concentrate this growth within existing urbanized areas, particularly the cities of Newry and Dundalk. One way to determine the regional influence of the existing sub-region is to examine travel to work data. Other methodologies can also be used to determine regional influence and travel-to-work data do not capture catchment areas for retail or tourism, which would be larger given the location on the M1/A1. Using a travel-to-work-based methodology indicates that Newry and Dundalk exert a strong localized regional attraction.

According to the 2001 Census in Northern Ireland, 83% of work trips from Newry and Mourne stay within the district. 63% more trips come into Newry and Mourne from Banbridge than vice versa, but the absolute difference of 370 trips is not large. Armagh, on the other hand, attracts 138 more work trips from Newry & Mourne than it sends. Although the district has a net out-commute of 1000 work trips, this difference is almost entirely accounted for by the strong draw of Belfast, which received 1,398 commuters from Newry and Mourne according to the census. Given the total

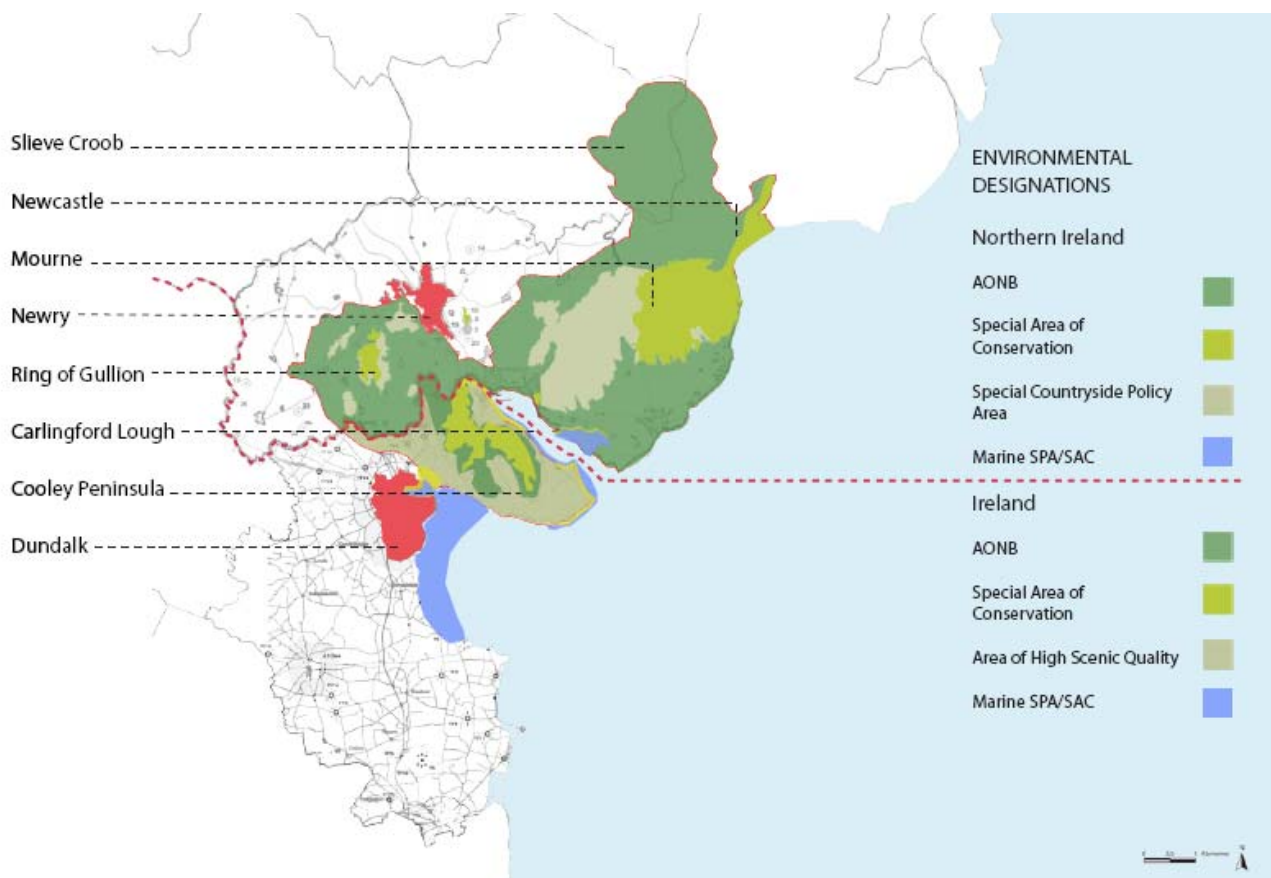
30,106 trips originating in Newry & Mourne, trips to Belfast represent just fewer than 5% of the total.

In Dundalk, 71% of work trips from the 2006 Census were under 10 km, compared to less than 50% for the RoI leading to a conclusion that most workers stay within the city. Again, however, the regional draw of the national capital is apparent; 12% of work trips from Dundalk were over 50 kilometres. The vast majority of these likely went to Dublin.

Given these commuting patterns, the district of Newry & Mourne and County Louth provide a good approximation of the extents of the sub-region. Drogheda exerts its own influence and can be netted out of sub-regional calculations. Using this methodology for assessing the sub-region also facilitates the use of census and other district/county level data.

Shared Environment & Infrastructure

Newry and Dundalk share the same 'back yard', which includes unique amenities as Carlinford Lough, Mourne, Cooley Peninsula and the Ring of Gullion. This shared natural heritage both unites and physically separates the sub-region. It unites by the shared benefits that can come from tourism and recreation and the need to coordinate resource protection. It separates the two urban centres by encouraging growth in Newry and Dundalk to move away from one another. Geography is such that the two centres will not grow into one urban entity. The map below shows important environmental designations in the sub-region and illustrates how they both join and separate Newry and Dundalk.



The sub-region also shares important transportation infrastructure, such as the roads, train and ports, including Warrenpoint, which ships 48% of its freight to the Republic of Ireland. Greenore Port, north of Dundalk, is being considered as a deep water port that could take some of pressure of Dublin port.

Road, train and bus connections also provide Newry and Dundalk with convenient access to the two capitals and their airports. These shared resources create much of the impetus for joint planning within the sub-region to maximize the benefit of new infrastructure, generate new employment and protect a shared environmental resource.

In the context of absorbing projected job and population growth numbers, managing these resources in a sustainable manner will be a key issue in border planning in the next 10 and 15 years. The working paper on Infrastructure looks more closely at the infrastructure required to support the implementation of cross-border collaboration in the Newry-Dundalk Sub-Region.

Population

In 2006, there were an estimated 63,360 residents living in the combined cities of Newry and Dundalk and an estimated 204,670 residents in the larger areas of Newry and Mourne District Council and County Louth.

IDA Ireland officials have estimated that the Newry Dundalk catchment area includes about 170,000 persons, the number of persons within 20 km. This figure corresponds roughly to the combined population of Newry and Mourne District Council and County Louth minus the population of Drogheda, although the 20km radii from each town include areas of Armagh and Monaghan. Twenty km also corresponds to the approximate distance to the next major urban centres, Banbridge and Drogheda, which exert their own regional influences.

Table 1 shows the populations of Newry and the Newry and Mourne District for 2001 and 2006 and for Dundalk and County Louth for 2002 and 2006.¹ The last row shows the growth rate for the sub-region. In 2006, Newry and Dundalk each had about one-third of the population of their respective Council and County. From 2001 to 2006, Newry and Mourne grew at an average annual rate (AAGR) of 1.42% while County Louth grew by 2.24%.

Table 1 also compares growth rates with national rates and other urban and regional rates. All rates are given in average annual growth rates for easy comparison and to normalize differences in census years. Over the last five years, both Newry and Dundalk have grown more slowly than the averages for Northern Ireland and the Republic of Ireland. Newry & Mourne and Louth, on the other hand, have grown more quickly. Put another way, the urban areas have been growing more slowly than the national averages while the regions have been growing more quickly than the national average.

Newry & Mourne has grown at a similar rate to its neighbouring districts of Banbridge and Down, while Louth has grown more slowly than the neighbouring counties of Meath and Cavan. On both sides of the border, the counties and councils abutting the Dublin and Belfast have seen the fastest rates of population growth. This fast growth can be attributed to the expansion of the two cities' metropolitan areas and to the increased distances travelled by commuters. Within Louth, Drogheda appears to be influenced by its proximity to Dublin and has a higher growth rate than Louth.

¹ The 2005 estimates are taken page 27 of the Newry and Mourne in Focus: Economic Profile, September 2007 Draft prepared by Regional Forecasts.

Table 1: Population and Recent Annual Average Growth Rates

	2001/2002	2006	AAGR
Newry	27,433	28,274	0.61%
Lisburn	108,694	112,900	0.76%
Derry	105,066	107,900	0.53%
Newry and Mourne	87,058	93,400	1.42%
Banbridge	41,392	45,500	1.91%
Down	63,828	68,300	1.36%
Northern Ireland	1,685,267	1,742,000	0.66%
Dundalk	32,505	35,085	1.93%
Drogheda	31,020	35,090	3.13%
Galway City	66,163	72,729	2.39%
Towns over 10,000	551,863	615,925	2.78%
Louth	101,821	111,267	2.24%
Meath	134,005	162,831	4.99%
Cavan	56,546	64,003	3.15%
Rep. Ireland	3,917,203	4,239,848	2.00%
Sub-Region	157,859	169,577	1.61%²

Sources: NI and RoI Censuses, Regional Forecasts.

In Newry & Mourne, growth has been led by international migration, the third highest increase in the net inflow of international migrants as a proportion of the population in Northern Ireland. In fact, without immigrants there was a net out-migration of Northern Irish.³ It is estimated that 85% of the migrants are from Poland and Lithuania. Dundalk is also experiencing growth through international migration. According to the 2006 census, 11% of Dundalk's population is from another country, primarily European. Migrants make up an important part of the sub-region's population and economy. Migrants make up a relatively larger portion of the urban centres than the sub-region as a whole.

Population Projections

The Newry Dundalk sub-region is projected to continue to grow rapidly over the next decade although there are major differences between the projections for each jurisdiction. Based on projections in the Newry and Mourne Area Plan, the District is projected to grow by 8,600 persons by 2015 while Louth's projections are significantly higher with an estimated increase of 60,700 residents by 2020. Louth's projections, however, are based on assumptions in the National Spatial Strategy and regional planning guidelines, which want the Dundalk and Drogheda to counterbalance Dublin to some extent. It must be noted that these are more normative than quantitative. Nearly three-quarters of the projected 60,700 person growth in Louth is allocated in Dundalk and Drogheda, nearly doubling the size of the two towns. Although official documents list these high growth number as estimations, they should be viewed as targets or aspirations. Table 2 shows the projected population of the sub-region based on projections for Newry & Mourne and Louth. It is expected to increase from 169,577 persons in 2006 to 224,115 in 2020. As illustrated in Graph 1, the majority of the population in 2006 is in Newry & Mourne. Based on higher projected growth rate in the Republic, however, the majority of the population is projected to be in Louth by about 2017.

² Rate is calculated by projecting Newry & Mourne calculation into 2002, using the district's AAGR, and assessing the AAGR from 2002 to 2006 for the sub-region as a whole.

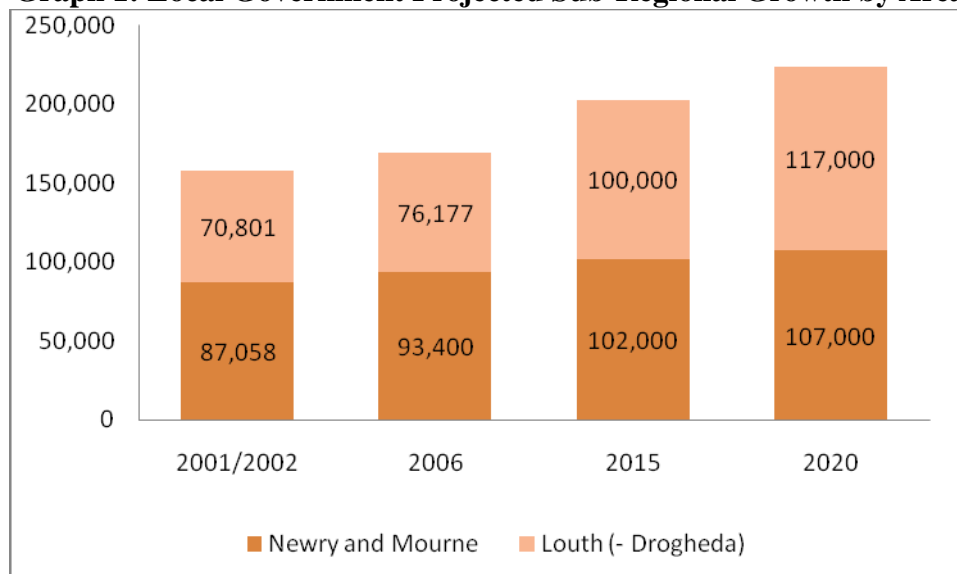
³ In 2006 there was a net external in-migration of 1,241 and a net domestic out-migration of -112. These figures are cited from Regional Forecasts page 18. RoI, Great Britain and the rest of the world are included in external migration counts.

Table 2: Population-Existing and Local Government Projections⁴

	2001/2002	2006	2015	2020
Newry	27,000	28,000	33,000	<i>37,000*</i> ⁵
Dundalk	33,000	35,000	<i>50,000*</i>	60,000
Total	60,000	63,000	83,000	97,000
Newry and Mourne	87,000	93,000	102,000	107,000
Louth	102,000	111,000	<i>147,000*</i>	172,000
Drogheda	(31,000)	(35,000)	<i>(47,000)*</i>	(55,000)
Sub-Region	158,000	170,000	202,000	224,000

Sources: RoI Census; Regional Forecasts Study for Newry and Mourne; Louth County Development Plan and Newry & Mourne Area Plan.

Graph 1: Local Government Projected Sub-Regional Growth by Area



Sources: RoI Census; Regional Forecasts Study for Newry and Mourne; Louth County Development Plan and Newry & Mourne Area Plan.

Table 3 gives the average annual growth rates for the purpose of comparing regions and analysing the projected shift in growth patterns in the coming years. Not unlike other jurisdictions where suburban growth rates are higher than their core urban area, Newry and Mourne and County Louth have grown at a faster annual rate in the last five years than the respective urban areas of Newry and Dundalk. The shift of relative importance in observed rural and urban growth rates to future projected rural and urban growth rates anticipates a desired change in the patterns of human settlement in the sub-region based on new policies which favour more concentrated urban growth and brown field development. For Dundalk, it also reflects a policy desire for Dundalk to reach an appropriate “Gateway” size as indicated by the National Spatial Strategy. In total, the projections suggest that the annual rate of growth for the sub-region will increase by about 25% from 1.61% from 2002 to 2006 to 2.01% from 2006 to 2020.

⁴ Figures rounded to 1000s place.

⁵ The starred numbers in italics are calculated based on extrapolation/interpolation of average annual growth rates due to the varying population projections available to the authors; 2015 in the North and 2020 in the South.

Table 3: Average Annual Growth Rates

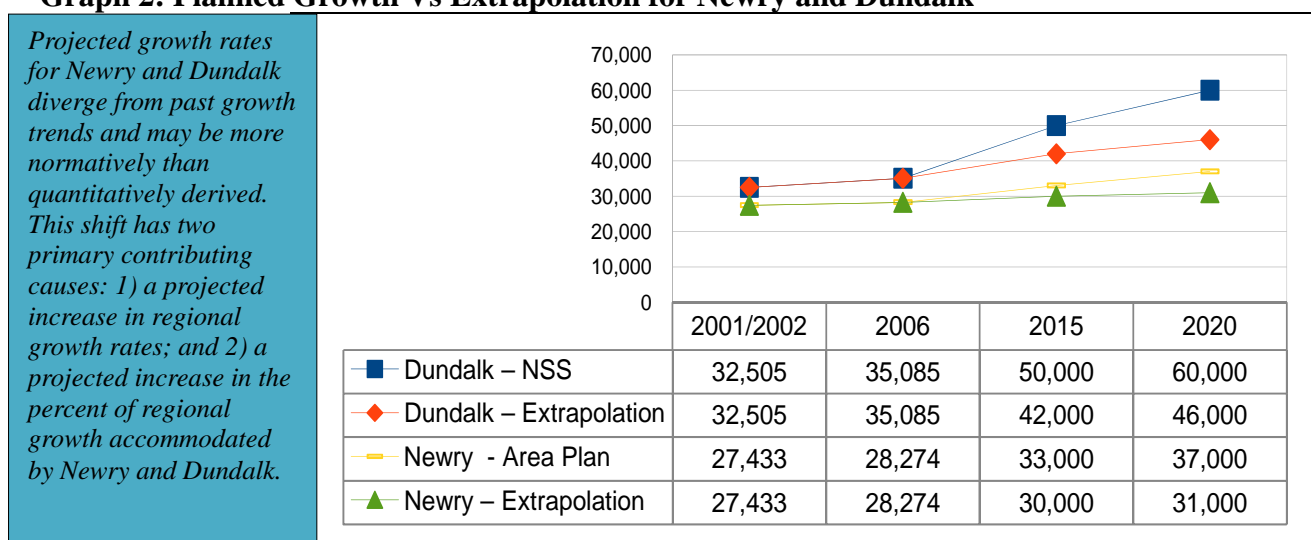
Average Annual Growth Rates (AAGR)	AAGR 2001/02 to 2006	AAGR 2006 to 2015/20	<i>The shift of relative importance in observed rural and urban growth rates to future projected rural and urban growth rates anticipates a desired change in the patterns of human settlement in the sub-region based on new policies which favour more concentrated urban growth and brown field development.</i>
Newry	0.61%	1.88%	
Newry and Mourne	1.42%	.98%	
Dundalk and Suburbs	1.93%	3.91%	
County Louth	2.24%	3.16%	
Sub-Region	1.61%	2.01%	

Sources: Same as Table 2.

Under existing policy-directed population projections, the urban centres of Newry and Dundalk are expected to see major increases in future residents. Dundalk and the immediate suburbs are projected to almost double with 24,915 new residents bringing Dundalk and its surrounding suburbs to some 60,000 by 2020. Newry’s projected growth is more modest, with a projected 33,435 residents in 2015, an increase of 5,160 persons.

Graph 2, however, illustrates how anticipated growth rates for the two cities begin to diverge from past growth trends and may be more normatively than quantitatively derived. An extrapolation of current growth rates for Dundalk would indicate a population of fewer than 46,000 by 2020, significantly lower than the NSS-derived 60,000. In Newry, the difference appears less dramatic, but the projections more than triple the observed annual growth rate of recent years.

Graph 2: Planned Growth Vs Extrapolation for Newry and Dundalk



Projected growth rates for Newry and Dundalk diverge from past growth trends and may be more normatively than quantitatively derived. This shift has two primary contributing causes: 1) a projected increase in regional growth rates; and 2) a projected increase in the percent of regional growth accommodated by Newry and Dundalk.

Sources: Same as Table 2

Given this discrepancy, the growth projections for both Newry and Dundalk should be reassessed. Policy can and will, of course affect growth and settlement patterns, but may have far less dramatic effects than anticipated. Not only do projections anticipate a 25% increase in annual growth rates, they also predict a radical shift in household settlement decisions.

In both cities, the need for a proactive urban development strategy that creates an attractive living environment and neighbourhoods that create a mix of housing typologies, affordability levels and good access to schools, services, business and employment opportunities will be needed to keep existing residents and businesses and to drive population growth.

Housing

As average household size has declined, housing has grown at a faster rate than population in both Newry and Dundalk. Nevertheless, demand, or at least speculation, appears to be out-pacing supply. Between 1996 and 2006, Newry & Mourne has had the highest increases in average house prices in the United Kingdom, more than tripling. Despite the fact that wages are 10% lower than the NI average and that most work trips occur within the district, Newry & Mourne has house prices that are about one third higher than the Northern Ireland average. Rapid growth in housing prices has only begun to slow in the last year with the general fall in prices. Dundalk has experienced similar trends, although growth has moved more in line with the rest of the Republic of Ireland.

The Newry Dundalk sub-region has similar housing stock and rural/urban mixes on both sides of the border. The percent of terraced housing is greater in Louth largely because the county consists of two urban areas, Dundalk and Drogheda, as opposed to just one, Newry. Netting out Drogheda reveals a more similar composition of housing types as shown in Table 4. Newry & Mourne and Louth also have similar average housing occupancies; 2.76 and 2.88 respectively in 2005 and 2006.

Table 4: Planned Growth Vs Extrapolation for Newry and Dundalk

2001/2002	Detached house	Semi-Detached	Terraced	Flat
Louth	42.87%	26.77%	26.02%	4.34%
Dundalk	26.82%	32.16%	36.43%	4.59%
Louth (no Drogheda)	52.77%	22.22%	21.90%	3.11%
Newry & Mourne	50.00%	25.00%	19.00%	5.00%

Source: NIHE and ROI Census

Table 5, Future Housing Needs, illustrates that with average occupancy rates continuing to decline, Newry and Dundalk must provide large amounts of new housing to absorb its projected population growth.⁶ In total the sub-region needs to provide an average 2,210 housing units from now until 2020. Regional Forecasts estimates that, of 8,500 units allocated in the Newry and Mourne 2015 area plan, only 4,000 remain to be developed. Their report estimates that an additional 2,700 units will needed to avoid a supply shortage.⁷

In Dundalk, housing needs are even greater. If government population targets are met and average household occupancy declines at historic trends to 2.21 persons per household, 14,500 new units will be needed in the city alone by 2020, a 114% increase over 2006. County Louth will need 34,000 new units. If household sizes remain constant, some 21,000 new units will be needed. Thus several factors may adversely affect the accuracy of housing projections, in particular, the reliability of population projections and the assumption that household size will continue to decrease. Graph 3 compares housing requirements for the sub-region based on the projections in Table 5, an extrapolated sub-regional population figure with declining average household size, the population trends in table 5 with no change in average household size and the extrapolated figure with constant household sizes. As in Graph 2, the results of the projection vary significantly based on the assumptions. The highest growth scenario more than doubles the lowest growth scenario.

⁶ Future housing needs were calculated by extrapolating the decline in average household size into the future, dividing the estimated population by this new average household size and subtracting the 2006 housing stock from this figure. Again Drogheda was subtracted from Louth to calculate the sub-region.

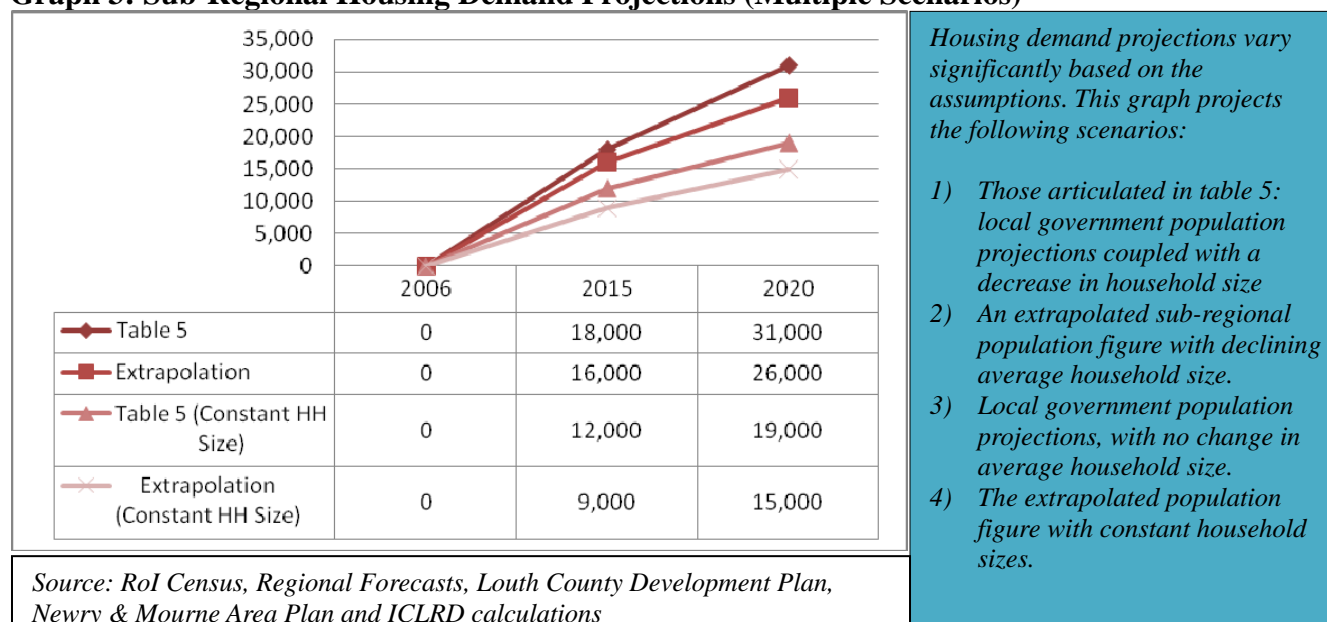
⁷ Regional Forecasts, 2007. Draft Version: Newry and Mourne in Focus: Economic Profile. Oxford Economics, Oxford.

Table 5: Projected Future Housing Demand Based on Local Government Projections and Declining Household Sizes

		2006	2015/2020	AAGR	Net Housing Needs	Average Annual Needs
Newry and Mourne	Population	93,400	102,000	0.98%		
	Housing	33,800	40,500	2.03%	6,700	670
	Occupancy	2.76	2.52			
Dundalk	Population	35,085	60,000	3.91%		
	Housing	12,736	27,000	5.51%	14,500	1,034
	Occupancy	2.75	2.21			
Louth	Population	111,267	172,000	3.16%		
	Housing	38,598	73,000	4.66%	34,000	2,430
	Occupancy	2.88	2.37			
Sub-Region	Population	169,577	225,000	2.01%		
	Housing	59,826	98,000	3.02%	30,940	2,210
	Occupancy	2.83	2.30			

Source: RoI Census, Regional Forecasts, Louth County Development Plan, Newry & Mourne Area Plan and ICLRD calculations

Graph 3: Sub-Regional Housing Demand Projections (Multiple Scenarios)



Within these varying scenarios, there is also a potential spatial mismatch between projections and recent growth trends. It must be reemphasised that population growth projections for the urban centres of Newry and Dundalk differ greatly from recent trends. Most of the sub-region's housing growth has been in rural one-off units, not in urban apartments. Housing demand will be highly impacted by population growth. For example, if current housing growth and household size trends continue, Dundalk will need 8,000 net new units rather than 14,500 by 2020. As stated earlier, *projections should not be read as a prediction of the future, but rather as a set of potential outcomes for the sub-region based on stated assumptions.* Assumptions about average household size and population growth have important impacts on projected housing needs.

Social and Affordable Housing

Both Louth and Newry & Mourne need substantial additions to social housing stock in the coming years. Newry & Mourne with its high home prices and low average wages is one of the most unaffordable areas of NI. Its NIHE affordability gap in 2006 of £81,400 is among the highest. In

2003, only 14% of owner occupied housing was assessed by the NIHE as affordable, compared with a NI average of 29%.⁸

The Newry & Mourne Housing Needs Assessment projects a need for 1,199 new social housing units by 2012, of which 520 in Newry proper. In County Louth, the council has enacted legislation, under part 5 of the Planning and Development Act, 2000 and the Planning and Development (Amendment) Act 2002 that requires developments on more than 0.1 hectares or of more than 4 units to provide 20% of housing at cost price to the council who will sell them as affordable units.

As noted earlier, both Louth and Newry & Mourne intend to meet housing needs primarily within their urban centres. The fastest growth, however, has occurred in the suburbs and the countryside over the past years. Reversing this trend will be a challenge that will require, among other policies, a commitment to providing social housing and incentivizing developers to construct affordable housing within the urban areas. The alternative scenario is a constrained housing market that will have limiting impacts on desired growth.

Education

In 2001 and 2006 respectively, the two censuses found that Newry City and Dundalk Town had 3,978 and 3,330 persons with 3rd degree qualifications or higher. The following table combines the District and County level data (minus Drogheda) to paint a rough picture of the sub-region's approximate educational attainment profile, although the qualification categories are not entirely equivalent in NI and RoI. Both Louth and Newry & Mourne have smaller percents of the working age population with upper qualifications than the national averages. In NI, 16% of the working age population has level 4 or 5 qualifications; in RoI, 25% has greater than third level qualifications. Nearly half of Newry and Mourne's working age population has only primary school education.

Table 6: Education Qualifications

	Working Age Population	Primary or Less	Percent	Upper Secondary/ Level 2/3	Percent	Third Level+ / Level 4/5	Percent
Newry & Mourne	57,908	25,480	44%	14,477	25%	8,107	14%
Louth	86,699	15,377	18%	19,877	23%	18,325	21%
Sub-Region	117,366	36,014	31%	28,033	24%	20,335	17%

Sources: RoI Census, NI Census, Regional Forecasts.⁹ Drogheda not included in sub-region.

Newry & Mourne District has eleven secondary schools and a third level institution, the Southern Regional College. The college brings together former further education colleges serving four council districts. The college operates out of four locations that serve specific programmes that include: Art, Beauty and Hairdressing, Business Administration, Childcare, Computing, Construction, Engineering, Health and Social Care, Hospitality and Tourism, Sport, Media, Performing Arts, Science and Multimedia.

County Louth has eleven secondary schools, five vocational, one community and one third level institution, Dundalk Institute of Technology (DKIT). The Institute provides programmes at craft, undergraduate and postgraduate levels to more than 3,500 full-time and 1,500 part-time students.

⁸ NIHE affordability figures taken from Regional Forecasts report, page 97.

⁹ Actual figures from the 2006 Irish Census are used. Proportions of attainment levels are taken from the 2001 NI Census and applied to 2006 population estimates in order to estimate 2006 educational attainment levels for Newry & Mourne.

The Institute is organised into four Schools: Business and Humanities; Engineering; Informatics, Music and Creative Media; and Nursing, Midwifery, Health Studies and Applied Sciences. The campus is located on a 90 acre campus that is 1/2 mile from the main Dublin Belfast road and is now part of the Dundalk 2020 Sustainable Energy Pilot Zone.

Economy

As throughout most of the Island of Ireland, the Newry Dundalk sub-region has created new jobs over the last decade and unemployment has declined. In Newry & Mourne the average annual growth rate in jobs between 1995 and 2005 was 2.91%. Between 2002 and 2006, the number of jobs held by residents in County Louth grew at an average annual rate of 4.2%.¹⁰ This corresponds to an average annual growth rate of 1.76% in NI and 4% in RoI over the same time periods. Thus both Louth and Newry & Mourne have grown more quickly than their respective national averages. Newry & Mourne, in particular, has outpaced national growth perhaps as a result of its proximity to the booming Irish economy of the late 90's and 2000's and its location on the Dublin-Belfast corridor.

Table 7 gives the total number and percentage of jobs by sector for Newry & Mourne in 2005 and for County Louth without Drogheda in 2006. The results show that Newry & Mourne is comparatively more reliant on retail, health and education than Louth, which is comparatively more reliant on business, financial services and transport and communications. Although imperfect, the combination of employment figures by industry sector from the North and South paints a rough picture of the relative importance of different sectors within the sub-region. In absolute employment both economies rely heavily on manufacturing, construction, retail and health, which, taken together, account for over half of all employment in the sub-region.

Table 7: Approximation of Total Sub-Region Jobs by Sector – 2005/2006

	Newry & Mourne 2005	Percent	Louth (No Drogheda) 2006	Percent	Sub-Region	Percent
All Sectors	40,100	100%	33,828	100%	73,928	100%
Agriculture	1,203	3%	1,230	4%	2,433	3%
Extraction	0	0%	170	1%	170	0%
Manufacturing	5,614	14%	5,030	15%	10,644	14%
Construction	3,208	8%	4,192	12%	7,400	10%
Wholesale and Retail	8,421	21%	4,942	15%	13,363	18%
Hotels and Restaurants	2,406	6%	1,439	4%	3,845	5%
Transport and Communication	1,604	4%	2,308	7%	3,912	5%
Financial Services	401	1%	1,074	3%	1,475	2%
Business Services	2,406	6%	2,650	8%	5,056	7%
Public Admin. And Defense	1,604	4%	1,464	4%	3,068	4%
Education	4,812	12%	2,034	6%	6,846	9%
Health	6,416	16%	3,820	11%	10,236	14%
Other Services	1,604	4%	3,475	10%	5,079	7%

Source: RoI Census and Regional Forecasts

Both sides of the border have seen shifts in the employment sector with a decline in agriculture jobs and stagnation or decline in manufacturing jobs. There has also been rapid growth in the construction and services industries. Despite sharing some economic characteristics and important infrastructure, Newry and Dundalk have different economic profiles.

¹⁰ The number of jobs for Newry & Mourne comes from DETI figures cited in Regional Forecasts, whereas the Louth figures come from the RoI census.

In 2006, Dundalk had 16,193 employed residents, 30% of Louth's total 53,221 employed residents. Employed residents, however, cannot be compared directly with number of jobs. Many employees may commute from other areas, particularly to the employment centre, Dundalk. Comparable economic datasets are required to conduct further analysis. Nevertheless, given commuting patterns the figures for the county give a best available approximation of the number of total jobs. In fact, a disproportionate number of the 12% of those who commute more than 50 kilometres from Louth are likely employed in high skills jobs in Dublin. Thus resident-based analysis of employment may overestimate the number of high skilled jobs in the region.

According to interviews with IDA Ireland, despite lacking the cachet and clustering of Dublin, Dundalk can compete for investment in almost all sectors thanks to its shorter commutes, lower rents and lower labour force turnover rates. It also has a competitive advantage over Newry and Belfast in terms of corporation taxes, proximity to Dublin and rapid planning approvals. Table 8 shows which sectors of the economy have led recent growth in Dundalk and Louth. Farming and manufacturing have continued to decline while services and construction have led recent growth. As the property market cools, the construction sector is expected to decline and perhaps shed jobs.

Table 8: County Louth and Dundalk: Job Growth by Sector

	All occupations	Farming, fishing and forestry	Manufacturing	Building and construction	Clerical, managing and government	Communication and transport	Sales and commerce	Professional, technical and health	Services	Other (incl. not stated)
Dundalk 2002	13664	89	2180	784	2323	785	2054	1930	1503	2016
Dundalk 2006	16193	80	2075	1068	2792	898	2590	2407	2069	2214
% Change	18.51%	-10.11%	-4.82%	36.22%	20.19%	14.39%	26.10%	24.72%	37.66%	9.82%
Louth 2002	45119	1440	7499	3615	7480	2877	5947	6567	4608	5086
Louth 2006	53221	1246	7444	4662	8856	3402	7441	7953	6115	6102
% Change	17.96%	-13.47%	-0.73%	28.96%	18.40%	18.25%	25.12%	21.11%	32.70%	19.98%

Source: RoI Census

In terms of the jobs per sector as a percent of all jobs, Dundalk and Louth have a larger portion of their workforce in the manufacturing sector than the national economy. They have a smaller portion of workers in agriculture. Table 10 compares the jobs breakdown of Dundalk and Louth as compared to the RoI. A score of 1 means that a sector provides an equal amount of jobs as a percent of total jobs as the national economy. A score under 1 means that the local economy provides proportionally fewer jobs than the national average; a score over 1 indicates proportionally more jobs in a sector.

Table 9: Dundalk and County Louth: Relative Importance of Sectors Compared to RoI

	Farming, fishing and forestry	Manufacturing	Building and construction	Clerical, managing and government	Communication and transport	Sales and commerce	Professional, technical and health	Services	Other (incl. not stated)
Dundalk 2006	0.12	1.09	0.75	0.98	1	1.17	0.9	1.18	1.23
Louth 2006	0.55	1.19	0.99	0.95	1.16	1.02	0.91	1.06	1.03

Source: RoI Census and ICLRD calculation

Thus although manufacturing employment has been declining, it still plays a large part in the overall economic make up of Louth. Dundalk, on the other hand, has a good concentration of sales, commerce and services jobs. Again, these figures must be looked at critically since they refer to the employment of residents rather than jobs within an area.

In total Newry City had an estimated 21,250 jobs in 2005, approximately half of the 41,000 jobs in the Newry & Mourne District, which gained jobs in all sectors except agriculture and public administration. Retail, construction and services have grown at the fastest rate. The retail sector has

grown at double NI's average rate over the last decade, albeit from a low base.¹¹ In 2005, it employed 21% of the workforce in Newry & Mourne. In interviews for this study, as well as the 2007 Regional Forecast study, however, the over-dependency on retail, construction and manufacturing was cited as a long-term economic concern. These sectors are not expected to grow much in the future.

Education (12%) and health (16%) are important sectors in the District's economy that have an urban focus in terms of location and good potential in terms of growth. Newry, the location of Norbrook, a pharmaceutical company that employs 1,000, has shown it can support life-science companies. Although difficult to quantify, Newry's collective entrepreneurial spirit has been cited as an economic strength. Table 9, taken from Regional Forecasts, shows the change in employment by sector from 1997 to 2005 and the relative importance of employment sectors in 2005.¹²

Table 10: Newry & Mourne 1997 – 2005 Employment Growth by Sector and 2005 Employment

	Growth Rate	2005 Importance	Approx. Jobs
All Sectors	3.2%	100%	40,100
Agriculture	-2.2%	3%	1,203
Extraction		0%	0
Manufacturing	0.1%	14%	5,614
Construction	5.7%	8%	3,208
Wholesale and Retail	5.4%	21%	8,421
Hotels and Restaurants	9.6%	6%	2,406
Transport and Communication	5.4%	4%	1,604
Financial Services	7.4%	1%	401
Business Services		6%	2,406
Public Admin. And Defense	-1.3%	4%	1,604
Education	1.4%	12%	4,812
Health	3.5%	16%	6,416
Other Services	3.7%	4%	1,604

Source: Regional Forecasts

Table 11 compares the jobs for Newry City and Newry & Mourne to Northern Ireland employment figures at the time of the 2001 Census. These figures show the importance of retail and education to employment in Newry City. It also shows that, unlike Louth, Newry and Mourne is comparatively less reliant on manufacturing and more reliant on agriculture and construction.¹³

11 Newry still has fewer retail jobs per thousand persons than the NI average.

12 At the time of the 2001 census, Newry and Mourne had just under 32,000 employed residents. This figure falls between the number of jobs listed by DETI in 1995 and 2005 but much closer to the 1995 figure of 30,100 than the 2005 figure of 40,100. These numbers, however, come from different sources and are aggregated slightly differently. Furthermore, DETI figures were available as percentages of a total job figure to the tens place, therefore being less precise than the census figures.

13 This is partially a result of the differing relative importance of agriculture and manufacturing in the economies of Northern Ireland and the Republic of Ireland. A complete set of 2005 DETI figures would allow a more contemporary appreciation of the relative importance of Newry's economic sectors compared to Northern Ireland as a whole.

Table 11: Newry and Newry & Mourne - Relative Importance of Sectors Compared to NI

	Agriculture	Manufacturing	Utilities	Construction	Wholesale and Retail	Hotels and Catering	Transport and Communications
Newry 2001	0.25	0.96	0.96	1.05	1.23	0.98	0.93
Newry & Mourne 2001	1.44	0.93	0.78	1.74	1.05	0.86	0.94
		Financial Services	Real Estate and Business	Public Admin. And Defense	Education	Health	Other
Newry 2001		0.9	0.84	0.7	1.23	1.06	1.13
Newry & Mourne 2001		0.81	0.75	0.58	1.08	0.92	0.97

Source: NI Census and ICLRD calculation

Throughout NI, business service jobs are predicted to drive growth. These jobs, however, account for a low share of Newry & Mourne's total jobs. This sector is unlikely to provide enough jobs to put a dent in the district's 35% economically inactive rate. Transport and communications employment nearly doubled in the last decade, although from a small base, and could provide new jobs in the coming years. Growth in traffic through Warrenpoint, based on the proposed Southern Bypass, would encourage growth in this sector.

Table 12 is taken from the recent Newry and Mourne in Focus: Economic Profile, September 2007 Draft by Regional Forecasts. It shows that the service sector is expected to play an increasingly important part of Newry & Mourne economy including tourism and retail, education and health and financial and business services. It also shows a reduction from 2005 (see table 9) of the relative importance of retail and hotels and education and health. These projections, however, must be viewed critically, in particular regarding the doubling of construction jobs given the recent slowdown in the real estate market.

Table 12: Newry & Mourne Projected Employment 2015

	Total	Percent
Retail, Hotels and Restaurants	11,605	25%
Public Admin	1,186	3%
Education and Health	11,617	25%
Construction	7,005	15%
Financial and business services	4,887	11%
Other	10,186	22%
Total	46,486	100%

Source: Regional Forecasts

Newry & Mourne is also expected to see a rise in tourism which will help grow the services sectors, particularly retail and hotel. The Regional Economics document that sources NITB and RF/Oxford Economics projects tourist trips to Newry and Mourne to increase from 93,000 in 2005 to 139,000 by 2015, with an increase in tourist expenditures of £6,000,000 (from £14,000,000 to £20,000,000).

Unemployment and Social Issues

In 2006, unemployment for County Louth was lower than in 2002, but still high at 11.1%, significantly above the national average of 8.5%. Unemployment particularly affects lower skilled and manual workers.¹⁴ Despite the decline in traditional manufacturing jobs and the growth in population, Louth has lowered the overall number of unemployed individuals from 5,343 in 2002 to 5,092 in 2006 thanks to robust overall economic performance.

¹⁴ Social Inclusion Unit Louth Local Authorities (2004) *Social Profile of County Louth*

In Newry & Mourne, the unemployment rate appears far lower at 3%, but is collected using a different method and is not comparable to the figure for Louth. The district has a high inactive workforce rate, 35%, compared to 30% for NI. Furthermore, much of Newry's recent job growth has been in part time jobs, particularly in the retail sector where only 1 in 2 jobs are full time. Part time jobs in the retail sector do not pay comparably to full time manufacturing jobs. The vast difference in unemployment calculation methodology across the border complicates the calculation of a meaningful sub-region unemployment rate. It suffices to say that there is significantly greater in the sub-region than the island of Ireland average.

With declining manufacturing and agriculture sectors, the Newry Dundalk sub-region will see an increase in the income gaps of skilled and low-skilled workers, as a high number of low-skilled workers compete for fewer jobs at lower pay. Regional Forecasts predicts that only 1 in 10 jobs in Newry over the next decade will require no skills. The report also warns of the emergence of a two-tiered economy of haves and have-nots; the first of which will benefit from shifts in the region's economic profile while the other languishes. Education, job training and social programs are essential to ensure that all of the sub-region benefits from economic growth and increasing prosperity.

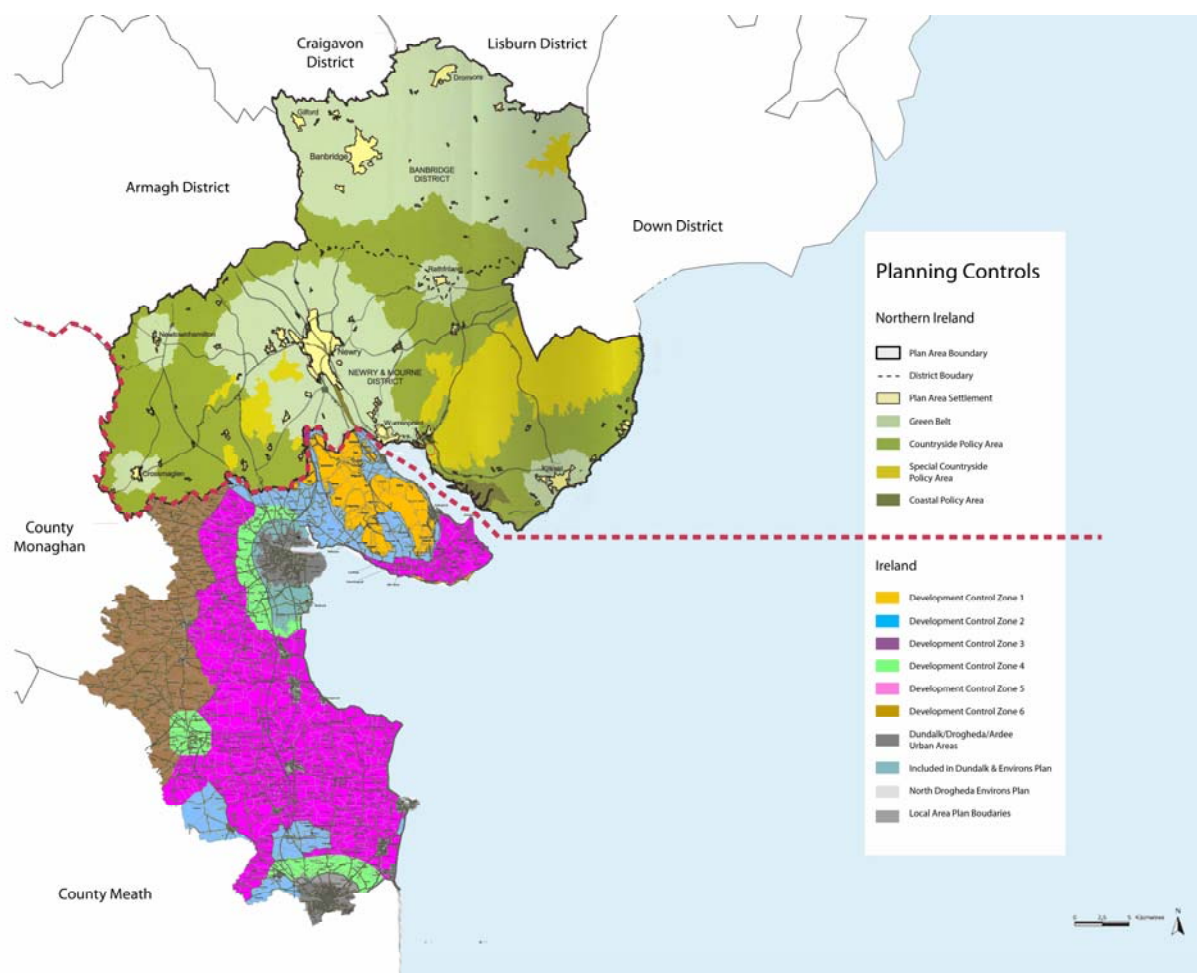
Planning Strategies

The NSS and the RDS identify Dundalk and Newry as strategic areas for accommodating future development and decentralizing national growth. Dundalk is one of 9 “gateways” in the NSS, and along with Drogheda is intended become a cluster of economic and industrial activity and to drive development in the east-border sub-region in cooperation with Newry. Newry, identified as a “Main Hub and an Inter-Regional Gateway” in the RDS, is intended to become “a growth pole to counter-balance Belfast Metro”.

While the two national spatial strategies are based on similar European Union approaches to planning; at the local level the plans are developed and implemented differently. In particular, the Newry & Mourne district plan is much more specific about the exact location and amount of development to be absorbed by 2015. The Louth plan, on the other hand, is much more flexible, zoning more land than needed to accommodate projections and allowing the market to select the location. The map below shows the general planning controls of the two plans. Both plans concentrate growth in existing urban areas but allow for rural one-off housing and “context-appropriate” development throughout the rural areas. In fact, most recent growth has occurred in these rural and suburban environments where restrictions are tighter.

Both plans also discuss the importance of working and planning across the national border. Although the cities of Newry and Dundalk are physically growing apart rather than toward one another, shared infrastructure and environmental amenities unite them. In the future, thanks to common EU policies and increased co-operation between NI and RoI, cross-border commuting will likely become more common and the housing markets more aligned.

According to the new brownfield development policy in Northern Ireland; 60% of Newry & Mourne district growth is to take place in urban areas. It must be reiterated, however, that this counters recent trends where only 17% of recent growth occurred in the urban area. Newry will have to closely monitor the impact of this new policy and its implications for attracting new urban residents and keeping existing residents. There is a somewhat unsubstantiated assumption that this new urban growth will respond to changing lifestyles and an increased interest in urban living.



The plan is very specific in delineating the exact location for proposed developments by land use. Within the Newry area, for example, the plan designates 124.05 hectares of new industrial land, primarily to the north of Newry Centre along the new road alignment which will connect A1/M1. New housing areas, of which a total of 119.16 hectares are designated, are primarily concentrated to the west of the city centre.

Land availability and the planning process have been an impediment to the development of industry, in particular. Although industrial lands fetch high prices in Newry (£220,000 per acre as opposed to £120,000 in Craigavon) and the 2015 plan identifies over 120 hectares for industrial development, supply is not coming on line fast enough to attract investment. According to interviews undertaken for this research, a slow permitting process restricts direct investment and real estate development. The Regional Forecasts report also suggests that the district must designate more land for housing lest it negatively impact economic performance as well as housing affordability and availability.

In Louth, planning controls are less geographically specific and allow for more flexibility. Each approach has advantages and disadvantages. The downside of more flexibility may be more sprawl, while the highly specific nature of the Newry & Mourne's plan may create an inability to respond to the shifting nature of the economy and a lack of capacity to absorb population growth and create new jobs. If controls in the North are stricter than in Louth, individual households and companies may prefer to locate in Louth instead of Newry & Mourne. The County Louth Development Plan, 2009 to 2015, is currently in progress and presents an opportunity to encourage cross-border collaboration in growth management.

Key issues and Conclusion

Although Belfast and Dublin are within relatively acceptable commute times from Newry and Dundalk, actual commuting patterns suggest that Newry and Dundalk draw largely from the immediate sub-region. The socioeconomic magnetism of the two capitals exerts far stronger pull than that exerted by Newry and Dundalk. In fact, commute patterns suggest that Belfast and Dublin draw much of the highest qualified labour away from the sub-region than other types of labour. In order, to achieve the policy goals of generating more spatially balanced development, both sides of the border need to work together to achieve a critical population mass, to create new jobs, and to prepare the entire workforce to contribute to and benefit from economic growth.

On its own, Dundalk will have a difficult time achieving the population ascribed to a “gateway” city. Taken together with Newry, however, the twin-cities already have an appropriate mass with 63,000 residents in 2006, surpassing the threshold identified by the National Spatial Strategy. Both Newry and Dundalk will need to develop mixed housing typologies to attract and keep both families and young professionals. Since policy in the North and South encourage development to locate in the urban centres, Newry and Dundalk’s urban regeneration strategies, addressed in Working Paper 10, will have to provide attractive opportunities for the growing population. Differing levels of controls, price differentials or enforcement could cause the more lax system to absorb more of the housing demand. With rising house prices and reductions in household sizes, a large increase in housing, both market and social, is necessary. Sustainable development projects, highlighted in Working Paper 8, will also play a key role in the sub-region’s future delivery of housing and industry.

As infrastructure linkages improve and travel times are reduced along the M1/A1 corridor, the mobility of the residents, business and students between Newry and Dundalk and to other neighbouring urban centres such as Belfast, Banbridge, Dublin and Drogheda will increase. Growth and potential synergies in infrastructure and delivery of services, present a host of opportunities for joined-up planning and resource management for the mutual benefit of both sides of the border. Working Paper 6 looks more closely at existing and proposed infrastructure in the sub-region. The provision of tourist infrastructure and the co-operative management of ecological resources, examined in Working Paper 7, is an appropriate step to fostering a sub-regional identity, protecting valuable resources and encouraging the tourism economy.

Despite being in an embryonic stage, the financial services sector has the potential to deliver high growth in the coming years and is investigated in Working Paper 9. Health and Education are other important sectors for both local economies that deserve additional research and potential areas for cooperation. Education, job training and social programs are essential to ensure that all of the sub-region benefits from economic growth and increasing prosperity. Newry Southern Regional College and the Dundalk Institute of Technology have a key role in providing progressive tracts to both upskill the workforce and provide education programmes that meet projected workforce needs in tourism, sustainable energy, financial and management services. Working Paper 5, prepared with the two schools, examines potential areas for co-operation and makes the case for co-ordinating curricula.

Working papers 7 through 10 highlight some of the opportunities for cross-border co-operation in the Newry Dundalk sub-region in environmental asset management, sustainable development, an international services zone and urban regeneration. They also provide a framework for cross-border competitive collaboration and map out potential delivery mechanisms for implementation. Working paper 11 identifies cross-cutting themes and areas for increased future co-operation.

Supporting the Implementation of Cross-Border Collaborative Frameworks: Newry- Dundalk Sub-Region

Working Paper 3

Policy Context



19 June 2008

Working Paper 3

Policy Context

Table of Contents

Transnational Perspective	1
National Perspective	1
Cross Border Perspective	1
Local Level Perspective	3

Transnational Perspective

The current commitment to strategic spatial planning owes a lot to the European Spatial Development Perspective (ESDP) (1999) and its endorsement by the member states of the European Union as the basis of balanced and sustainable development across the entire territory of the EU. The ESDP adds the imperative of territorial cohesion to economic and social cohesion as the foundation principles of effective European integration in an extending EU. The logic of a cohesive Europe cemented together by polycentric webs, or clusters, of networked cities (gateways and hubs) stretching across the sub-territories of the EU underpins the current conceptual framework for spatial planning for all member states. Polycentricity seeks to improve combined European competitiveness in a globalising world by striking a coherent and effective regional balance – its working principle is that the complementarity of different regions and settlements can be harnessed to increase critical mass so that the whole is greater than the sum of the parts.

The ESDP recommends three levels of spatial co-operation and co-ordination: firstly at EU level, second at transnational level, and thirdly at regional/local level. Co-operation at transnational level is critical for the successful implementation of its sectoral programmes, strategies and policies across the EU. The ESDP represents the EU scale of activity whilst the RDS (Northern Ireland) and NSS (Ireland) constitute the third level. The challenge of achieving the second, transnational, level of complementarity and integration requires pro-active co-operation between the relevant national authorities.

National Perspective

The National Spatial Strategy (NSS) emphasises the importance of promoting economic and settlement clustering in order to enhance levels of innovation and regional competitiveness. Strategic roles are identified for different parts of Ireland. For the Greater Dublin Area the primary role of the NSS is to *consolidate* its physical size and the public transport system in order to maintain the international competitiveness of the region and thereby contribute to the overall development of Ireland. Beyond the Greater Dublin Area it is proposed that the potential of urban centres be strengthened, reinforced and revitalised through the implementation of spatial planning strategies that will lead to the emergence of new polycentric networks with significant levels of critical mass. Finally, in an all island context it is proposed that opportunities for enhancing the new urban system and securing improved critical mass be developed through new forms of cross border co-operation.

The Regional Development Strategy for Northern Ireland (RDS) has similar goals to the NSS. It seeks to consolidate the Belfast Metropolitan Area and its eastern hinterland; to support the development of Larne seaport as a gateway town; and to endorse the regional city of Derry as a gateway for the northwest region (including Donegal). The strategy also identifies the eastern border town of Newry as one of three other key urban centres with a major inter-regional role – the others being the border town of Enniskillen in Fermanagh and the gateway seaport town of Larne.

Cross Border Perspective

Both the RDS and NSS recognise their mutual interdependence, particularly in the border region. Here success is conditional on a joined up approach across a range of factors from roads, electricity, energy, telecommunications, industry and tourism. They provide frameworks for developing cross-border infrastructure links between both parts of the island. However both spatial strategies have

significant gaps in relation to joined-up policies and cross border connectivity which impacts on both private and public sector decision making. These gaps are further reinforced at the operational levels of planning due to differences in the regulatory regimes. To manage the interface between the two strategies the InterTradeIreland report recommended the development of a non statutory collaborative framework.

The population growth experienced in targeted urban centers and along the key cross-border transportation corridors defined by the NSS and the RDS are already creating management challenges. As development continues to increase in these areas the solution will demand an integrated response by both jurisdictions. Project-based cooperation has the clear advantage of sharing in both the cost and benefits of an intervention without losing local autonomy. If successful, it often leads to further areas of common action where each party finds a clear benefit. Examples in Europe and elsewhere including the United States have focused on the planning and operation of public transportation, infrastructure provision, open space and the delivery of health services.

The ICLRD study for InterTradeIreland stresses the need to accelerate development of key corridors through strategic infrastructure investments and the pooling of services and resources for mutual gain. The study also highlights the need for new institutional frameworks to promote cooperation among local governments within cross-border areas. Partly this will require a better understanding of the social, economic and environmental benefits to be gained from inter-jurisdictional cooperation. The framework for collaboration should take a high level and non-statutory view, to be shared by both Governments, of how to co-ordinate spatial planning and development and should address how the mutually interdependent aspects of the two spatial strategies on the island of Ireland will be taken forward.

Government Departments, with the support of existing cross-border institutions will ultimately have to drive the preparation of the framework within an agreed action agenda. It is proposed that the framework for collaborative action should initially take an overview of the key spatial planning issues and the main mutual interdependencies between the NSS and RDS, and should subsequently set out proposals around three key themes:

- (1) Initiation of a focused range of ***regional and local spatial planning initiatives*** for the key development areas identified in both spatial strategies. For example, the cross-border interface of Newry-Dundalk;
- (2) A prioritised programme of ***highly strategic and targeted investments*** to support key aspects of both spatial strategies. For example, improved accessibility to areas identified for accelerated growth in the strategies;
- (3) A programme of ***spatial planning research*** to deepen our understanding of development patterns, trends and their drivers on an all-island basis including the development of a comprehensive all island statistical database.

The framework is also to work to support a better alignment between the strategic planning and business decision-making processes. To do so, it needs to harness and facilitate existing structures by providing new collaborative working arrangements that energise stakeholders in the business and planning sectors. As the action agenda is progressed further consideration needs to be given to the most appropriate arrangements to drive the process.

Local Level Perspective

Responsibility for planning in Newry and Mourne District Council falls within the remit of the Planning Service for Northern Ireland operating through the Craigavon Divisional Planning Office which incorporates both a development plan and development control function. The draft Banbridge/Newry and Mourne Area Plan 2015 provides a planning framework for the area which must be in general conformity with the RDS. In Dundalk town and its surrounding settlement and development plan area, planning responsibility rests with Dundalk Urban Council and Louth County Council. The two local authorities prepare separate development plans and they are obliged to have regard to the Regional Planning Guidelines adopted for the Border Regional Planning Authority in which they are situated. The Border Regional Authority is one of seven Regional Planning Authorities in the Republic each of which have recently prepared Regional Planning Guidelines for their jurisdictions to reflect the aims and objectives of the NSS. In turn both the NSS and the RDS incorporate the polycentrality, or urban clustering, logic contained in the EU's spatial strategy as set out in the European Spatial Development Perspective (ESDP).

County Louth and Dundalk Town Council

At the local level the respective development plans provide a framework for coordinating policies, specifying land use allocations and determining development proposals. The current Louth County Development Plan 2003- 2009 covers the administrative area of County Louth, excluding the areas of Dundalk Town Council and Drogheda Borough Council. Dundalk Town Council has prepared a separate plan for the municipal area of Dundalk entitled Dundalk and Environs Joint Plan 2003-2008. The 2009-2015 plan is currently under review.

Section 1.3 of the Louth County Development Plan 2003-2009 summarises the county's recent demographic trends and highlights the location potential of the area.

County Louth, although the smallest county in Ireland, is one of the most populated and urbanised outside of Dublin. This is due to the presence within its borders of two of the largest provincial towns in the country, Dundalk and Drogheda.

By reason of its strategic location on the Dublin/Belfast economic corridor, accessibility to east coast ports and international airports and the rapidly improving road and rail infrastructure, the county is well placed to continue to grow in population and economic terms into the foreseeable future.

The main thrust of the *Dundalk and Environs Joint Plan 2003-2008* is to position Dundalk as a Gateway or urban growth counter-balance to Dublin in line with the general objectives of the NDP. The National Development Plan discusses Dublin's function as a national gateway and outlines that there are other emerging urban centres throughout the country which may not yet have all the attributes of regional gateways - in terms of population size, strategic location, range of skills and services, industrial and manufacturing base. Gateways are described as centers having a strategic location relative to the surrounding territory, being in possession of good social and economic infrastructure and support services and having the potential to expand and drive physical and economic growth.

The plan lists the key considerations needed to support the development of the Dundalk Gateway in an all island economic and spatial context:

-
- Capitalising on the emerging role of the central parts of the border area as a crossroads between centers of strength north and south of the border.
 - Shared environmental and cultural heritage, such as landscape and inland waterways, with potential to support economic development in sectors such as tourism.
 - Achieving spatial balance by developing the potential of areas will depend on enhancing capacity for the movement of people goods energy and information between different places.
 - Providing economic infrastructure such as water services and waste, and social infrastructure such as schools and hospitals to support balanced regional development.
 - Delivering a highly developed, well-integrated infrastructure that supports movement, i.e. public and private transport, and energy and communications networks. This infrastructure converges at strategic points to drive dynamic and sustainable development.

Two additional general points are made:

- There are significant opportunities for Dundalk to grow and develop further as a regional gateway. Maintaining and enhancing the current level of services and infrastructure is key to future success. Dundalk cannot achieve growth on the scale of Galway or Waterford without the basic level of services and infrastructure and this includes ensuring that the rail and roads are upgraded, schools, third level facilities, social and community facilities are maintained and enhanced. Maintaining the full services of a regional hospital would be a key basic requirement to enable future growth as a regional gateway.
- All relevant stakeholders will need to work together to achieve an enhanced role for the gateway, to establish consensus on integrated spatial frameworks for land use, planning urban design, transport and public service delivery. The local authority has the prime responsibility for preparation of these frameworks and translating their provisions into statutory development plans that will guide the development process through the planning system.

Banbridge/Newry & Mourne Area Plan 2015

The draft Banbridge/Newry & Mourne Area Plan 2015 sets out the planning framework for the plan area which relates to the administrative district council areas of Banbridge and Newry & Mourne. The plan strategy, in general conformity with the RDS, is to facilitate sustainable patterns of development based on a polycentric network of growth poles integrated with transport corridors and incorporating a compact urban form and sensitive use of the built heritage and rural environment. Specifically the aim of the plan places an emphasis on sustaining a living and working countryside; supporting the growth and regeneration of urban areas; and protecting those areas vulnerable to development pressures.

The intent of the plan is to promote Newry as a main hub within Northern Ireland and to enhance its inter-regional gateway role within the Newry and Mourne District Council area. Designated as a main hub with potential to develop as a growth pole the plan identifies Newry as a centre for

clustering of economic activity and a range of cultural and leisure amenities. Based on its growing commercial and tourism role, Newry is considered to have the capacity to accommodate the growing need for urban housing within the district council area. It is projected that the population in the Newry and Mourne District Council area will increase from 93,400 in 2006 to 102,500 in 2011¹. In accordance with the allocation specified under the Housing Growth Indicators (HGIs) 12,250 new housing units are targeted for the district and 119.16 hectares have been zoned for new housing development within the Newry City development limits. A further 124.05 hectares of land has been zoned for industry in the city.

The planning strategies within the respective jurisdictions clearly acknowledge the important roles which Newry and Dundalk can play at the national, regional and local levels. The growing strength of Belfast and Dublin at either end of the emerging economic corridor reinforces the need to secure and enhance the roles of towns strategically placed between the two major centres. Strengthening the functions of Dundalk and Newry will ultimately give the corridor greater economic integrity. Both are strategically positioned to have the capacity to develop as gateways within the corridor. Further development of the infrastructure and business links between Dundalk and Newry will offer a critical mass that can help drive economic development throughout the eastern part of the border region.

¹ NISRA Population based projections, February 2008

**Supporting the Implementation of
Cross-Border Collaborative Frameworks: Newry-Dundalk Sub-Region**

Working Paper 4

Propositions



25 June, 2008

The Value Proposition

The goal for the sub-region is to build on core strengths in a sustainable manner. Already Newry/Dundalk enjoys considerable advantages. By working together across a range of projects, the existing value proposition will be enhanced and the growth potential of a 'shared gateway' re-enforced. In so doing the position of the sub region will also be improved. Ultimately the task is to create an attractive place for people to live, tourists to visit and companies to grow.

The value proposition for the sub-region lies in the distinct combination of economic, social and environmental factors. For sustainable development to occur, progress must be made in all areas.

The Economic Proposition:

“A competitive place for business and workers”

The Newry/Dundalk sub region can build on its reputation for entrepreneurship and success in attracting foreign direct investment. A supportive business environment is a must.

- **Scale**

The starting point of the Newry/Dundalk proposition is to acknowledge that critical mass is king. For international and domestic investment, for the provision of public services and transport links, scale is fundamental. In international terms neither Newry nor Dundalk individually possess sufficient scale. Each has preformed reasonably by leveraging there proximity to the major population centre in their jurisdictions, Dublin and Belfast. Together they can become a more attractive proposition in their own right. For both central and local governments, scale allows for the more efficient delivery of public services and infrastructure. Although outside the terms of this study, joint delivery of public services such as health, public transport and waste management could be profitably considered in the future. By operating in tandem, on a cross-border basis, the value proposition is radically improved.

- **Regional Competitiveness**

The combined population of Newry and Dundalk is in excess of 60,000, considered to be the minimum for gateway status in Ireland. Including the sub region, IDA Ireland estimates a catchment area of approximately 170,000 people within 20km. For business this is crucial as it provides access to a wider, more skilled labour force and denser input-output relationships with suppliers and customers, both of which are recognised drivers of regional competitiveness. This is especially true of the tradable services sector which research indicates may require an urbanised environment to thrive.

- **Location and Infrastructure Links**

Newry/Dundalk has the most strategic location on the island. The position of the sub-region on the M1/A1 motorway is ideal with good rail links and easy access to a range of airports and ports. Close proximity and reduced travel times through transportation improvements allows companies to locate in the sub region and do business in both Dublin and Belfast, massively expanding their market and supply areas. A key priority is that access to and from the motorway is facilitated to ensure benefits are spread across the sub region.

- **Education, Skills & Training**

Newry Dundalk sub region is well served by 33 post-primary schools; a College of Further Education; a College of Further and Higher Education and an Institute of Technology. The sub region enjoys a favourable demographic profile and has a strong reputation for entrepreneurship. Potential also exists to attract back high skilled workers living in Dublin and Belfast.

- **Existing company base**

Both Newry and Dundalk can point to considerable success in attracting international and domestic company operation. Norbrook, First Derivatives, Xerox and Heinz are all examples of globally trading companies that have located within the sub region.

- **Availability of high quality property solutions**

With the planned Albert Basin development in Newry, combined with existing and new premises available in Dundalk high quality property solutions are available to prospective businesses.

The Environmental Proposition

“An Attractive Environment for Living, Recreation and Leisure”

The Newry/Dundalk sub region contains some of the most dramatic and beautiful landscape on the island. Its accessibility from the two major population centres makes it perfect for domestic tourism as “a shared playground”. More effective international branding could further open the region to foreign visitors. Equally important is quality of life benefits to local residents.

- **Natural environment**

The shared natural environment of the Cooley peninsula, Mourne Mountains, Ring of Gullion, Carlingford lough and Dundalk bay are outstanding assets. They require careful management and would benefit from a joint marketing strategy.

- **Sustainable energy**

Increasingly sustainable energy is seen as a vital component in any development strategy. Dundalk has made a credible start in creating a sustainable energy community including the private and public sector. By relying where possible on local sources of energy, costs are kept down, air quality is improved and security of supply is increased, resulting in clear benefits to business and residents.

- **Growth management**

The environment of the sub-region, critical to its ability to maintain and attract new economic activities, should be managed around key concepts of sustainable development and an understanding of sub-regional housing and land markets. An opportunity exists to promote smart growth and higher densities within existing urban areas using mixed-use developments that reduce travel to work catchment areas.

The Social Proposition

“An attractive place to live”

High quality urban design is fundamental to quality of life. The Newry/Dundalk shared gateway has a fine heritage of public and private buildings. New developments such as the Albert basin will provide a lasting legacy of innovative architecture within the sub region.

- **Community Cohesion**

A key strength of the sub-region is its entrepreneurial spirit and the active participation of residents groups, business associations, public officials and institutional partners in setting a vision for the future. Involving the community of interests in developing and implementing programmes will be essential in moving programmes forward.

- **Urban regeneration**

At a local government level Newry and Dundalk have developed regeneration strategies to improve the quality of the built environment. The private sector is also committed to playing their role in creating a place where people want to live, work and visit.

- **Affordable housing**

The economic growth of the sub-region will require an adequate supply of housing, including affordable housing for the labour force living on both sides of the border.

Delivering on the Proposition

In order to re-enforce the value proposition of the Newry Dundalk sub region the research team engaged with a large number of local stakeholders to identify projects that would achieve the objectives under each area. The selection criteria for projects were:

- Capacity to drive a collaborative framework at a sub regional level and re-enforce joined up policy approaches
- Ability to improve either the Economic, Social or Environmental conditions of the sub region without jeopardising the other factors.
- Preference for projects that could achieve improvements across the three objectives. The task is to ensure that initiatives are mutually re-enforcing and that the attainment of one does not preclude the achievement of another.
- The project should leave a lasting legacy of sustainable local level co-operation.

On this basis the following programmes were advanced by local stakeholders. A consensus has formed regarding the delivery and implementation each project involving relevant coalition of stakeholders from central to local government and including the business and voluntary communities:

- 1) International Services Zone
- 2) Geo-Tourism and the Management of a Shared Landscape and Natural Heritage
- 3) Sustainable Energy Communities: A Platform for Development
- 4) Collaborative Urban Regeneration Strategies

Supporting these programmes are the cross-cutting themes of Infrastructure and Skills, Education and Training. Setting the cross-border context for all of these programmes is a socio-economic profile of the region.

Supporting the Implementation of Cross-Border Collaborative Frameworks: Newry- Dundalk Sub-Region

Working Paper 5
Skills, Training and Education



25 June 2008

Working Paper 5
Skills, Training and Education

Table of Contents

Introduction..... 1
Education Platforms in the Newry-Dundalk Sub-Region.....3
Core Educational Strengths to the Sub-Region.....3
Sub-Regional Education and Skills Requirements6
Raising the Profile of International Services in Newry Dundalk Sub-Region7
Supporting Other Regional Initiatives8
Key Finding8

Introduction

The ability of our education system to deliver world class skills is essential in meeting social, cultural and economic needs in the global economy. The rapid pace of technological development and the increasing sophistication of business processes and systems are increasingly demanding higher levels of academic achievement and greater links between the education sector and business enterprise. Capacity to respond to economic and social change is critical in providing the supply of essential skills for the effective functioning of the economy. Economic development depends on knowledge and innovation in producing higher value activities that will drive wealth creation and sustainable growth.

The Forfas Report (2004) identifies three aspects of education and skills development which are critical to the competitive advantage of an enterprise-led business culture.¹ Firstly, an adaptive and responsive higher education system is considered necessary to exploit knowledge and to produce quality graduates with the intellectual capital to meet the needs of an innovation-led economy. Secondly, the upskilling of the existing workforce and the raising of education standards are essential to a fast moving and constantly changing economy. Thirdly, the workforce will have to be expanded to meet growth forecasts and the increasing demand for skilled labour within a dynamic economy. Imbalances between the supply and demand of skills can have an adverse impact on the economic development and performance of a region or area.

Evidence indicates that education levels have a direct correlation on labour productivity and are found to have additional indirect benefits on economic growth through technological development.² As knowledge becomes the basis for competitiveness high performing economies and societies will increasingly rely on a culture of skills enhancement to exploit innovation and technological change. The National Competitiveness Council identifies a number of policy challenges for Ireland based on increasing the numbers participating in the knowledge-based economy; increasing resources to the higher education and research system and upskilling through training. The success of Ireland's strategy towards knowledge-intensive high technology sectors will depend on an education system which produces the supply of people with quality skills in science, engineering, technology, finance and entrepreneurship. In addition the concentration of enterprises, a skilled labour pool, and suppliers of goods and services in a particular geographical area will, in turn facilitate business growth, generate operational efficiency, encourage down stream activity, and stimulate innovation.

It is acknowledged that the primary source of skilled labour supply provided indigenously will be complemented by migrants particularly those that are highly qualified with specialist company specific skills which can offer a significant additional resource to employers and contribute positively to GDP. The IBEC-CBI Joint Business Council has emphasised the importance of promoting cross border employment through joint programmes.³ In this regard the all-island trade and business development programmes promoted by *InterTradeIreland* are creating the environment for businesses to collaborate and compete more effectively at the global level. For both jurisdictions this means building up the competitive strengths in the key areas of infrastructure, R&D, skills formation and innovation linked to the knowledge based economy.⁴

¹ Enterprise Strategy Group (2004) *Ahead of the Curve, Ireland's Place in a Global Economy*, Forfas, Dublin

² National Competitiveness Council (2005) *The Competitiveness Challenge*, Forfas, Dublin.

³ IBEC-CBI Joint Business Council, *Promoting Cross Border Employment and Removing Barriers to Cross Border Mobility*,

⁴ *InterTradeIreland* (2007), *Comprehensive Study on the All Island Economy*, *InterTradeIreland*, Newry, February

In considering the future skills needs in the key sectors of the Irish economy, an expert group appointed by the Department of Trade and Employment, Dublin and Forfas found specific skills shortages in ICT, biotechnology, engineering, financial, international traded services, and R&D. At the all-island level, an *InterTradeIreland* report specifically reviewing the financial services sector argues that the provision of high level skills in financial services and international traded services will be instrumental in attracting foreign investment and in advancing Ireland's position as a global financial intermediation location⁵. Financial service firms should be targeting the labour market in both jurisdictions to meet on-going skill requirements and training agencies both north and south should consider jointly evaluating future skills requirements within the sector.

At the Newry-Dundalk sub-regional level a report prepared for Dundalk Chamber of Commerce considers the skills resource in the financial services and science sectors.⁶ Although, the local economy is experiencing vibrancy and growth there is also a distinct shortage of skills in the labour force. Companies in the Dundalk area reported a high level of current vacancies particularly in the financial services and science based sectors compared to more moderate levels of vacancy in Newry. Consequently companies are experiencing recruitment difficulties in meeting expectation levels resulting in skills gaps in their current workforce. Most companies actively recruit from a wider catchment area extending beyond the immediate confines of Newry and Dundalk. The study indicates that addressing the skills deficit will require an action agenda based on a number of key findings which are summarised as follows:

- Select key 'champions' to move projects forward and raise the profile of the area for inward investment;
- Develop communication and partnership working through collaboration;
- Create a cross-border labour forum to address employment and skills issues;
- Pool and develop the skills resource via knowledge transfer and clustering projects;
- Form clusters of companies experiencing difficulty in attracting and retaining staff with key skills for joined up recruitment drives;
- Develop articulation pathways from school to higher education and into industry for improving skills development and knowledge transfer;
- Develop a high level strategic plan to attracting inward investment to the region;
- Brand the Newry-Dundalk sub-region and raise the profile of the area with key influencers at a national level;
- Develop the Newry/Dundalk sub-region as the regional financial services base in Ireland.

In 2008 the Newry and Mourne Labour and Employability Forum conducted a study into the Newry and Mourne labour market which finds that the sectors facing the greatest problems recruiting staff are financial services, transport, real estate and business services, infrastructure services, public administration, manufacturing and retailing.⁷ It is considered that in-migration will not resolve the recruitment problem especially in the finance, business services and transport sectors. Furthermore the district council area needs to attract back a greater number of its indigenous population particularly those that graduate from university each year. In this regard the report considers that it is essential:

⁵ *InterTradeIreland*, A Review of the All-Island Financial Services Sector, *InterTradeIreland*, Newry

⁶ SMM Consulting (2007) A Study of the Skills Resource in the Financial Services and Science Sectors in the Newry and Dundalk area, Prepared for Dundalk Chamber of Commerce, March, SMM Consulting, Newry.

⁷ Newry and Mourne Labour and Employment Forum (2008), Newry and Mourne Enterprise Agency, Newry, January

-
- To better educate young people and people of working age who want to up-skill, especially those from socially deprived backgrounds.
 - To better prepare those leaving the education and training system to enter the labour market with the right skills.
 - To encourage more of the District's young people who leave to go to university, particularly in Britain, to return by promoting the high quality of life offered by the region; and
 - To ensure that the in-migration of people with skills which are in short supply is encouraged but managed.

The success of the Newry Dundalk sub-region going forward will depend on its ability to offer a better fit between educational demands, the industry skill requirements, and attracting new investment.

Education Platforms in the Newry-Dundalk Sub-Region

The Newry Dundalk sub region is served by 33 post-primary schools; a College of Further Education (O'Fiaich College, Dundalk); a College of Further and Higher Education (Southern Regional College, Newry); and a College of Higher Education (Dundalk Institute of Technology, Dundalk). The latter can offer higher level degrees (up to PhD) and has autonomy to make its own awards.

Newry's Southern Regional College (SRC) is one of six new super Further and Higher Education Colleges now established in Northern Ireland. As of 1 August 2007, three colleges, Armagh College, Newry & Kilkeel Institute and Upper Bann institute, merged to provide a single facility at the leading edge of education and training in Northern Ireland. The College is located across 6 main campuses at Portadown, Lurgan, Banbridge, Armagh, Newry and Kilkeel and services the communities located in four of the local district council areas. The three merged colleges have come together at a critical time in the development of the further education sector in Northern Ireland. The College has a primary role in supporting economic development and regeneration and is committed to providing learners, employers and the local community with world class education and training opportunities.

Dundalk Institute of Technology (DKIT) was established in 1970 as Dundalk Regional Technical College. It is one of fourteen such Institutes located throughout the Republic of Ireland. Although the initial emphasis was on technician level education in science and technology, as reflected in its name, currently the Institute offers programmes up to doctorate level in a broad range of disciplines including business, humanities, social care, sport and health. In 2003 DKIT was delegated authority to award its own degrees from the Higher Education and Training Awards Council (HETAC). Together with the other Institutes of Technology, DKIT is now seeking upgrading to University Status either through a Federated National Technological University model or through federated arrangements with existing universities.

Core Educational Strengths to the Sub-Region

The Southern Regional College has over 5,000 full time and 25,000 part time enrolments annually. Students can enroll in a range of professional, technical and academic programmes that offer clear progression routes from entry level through to full degree qualifications. Courses offered include A level, NVQ, Diploma, BTEC, HND, Foundation Degree, Honours Degree and Post Graduate qualifications. The focus on providing professional and technical qualifications that meets the needs of local and regional employers is central to the College's mission. It is the diversity of provision in

providing opportunities for both up-skilling and re-skilling that is a key strength of the College.

In addition, the SRC prides itself in its flexibility and responsiveness to meet the needs of local business and its customer base. The development of qualifications is one aspect of this but the College also continues to make better use of new technologies to support the development of more flexible forms of learning including e-learning and blended learning solutions. The College is committed to providing training at times that best suit the needs of its customers. This includes provision in the evening, weekends, on premises or out in the community using its extensive network of outreach centres.

Although the SRC does not yet have degree awarding status it has developed a number of strategic partnerships with local and regional Universities. This enables the College to develop a substantive portfolio of higher level qualifications. Universities supporting this provision include:

- University of Ulster
- Queen's University Belfast
- Thames Valley University
- Huddersfield University

The range of Foundation Degree (Level 5: UK National Qualifications Framework) and Honours Degree (Level 6) courses currently offered include:

- Business Studies
- Financial Services
- Accounting
- Computing & Network Systems
- Construction Engineering
- Architectural Design
- Furniture Design
- Graphic Design
- Hospitality and Management
- Electronics
- Travel and Tourism

In addition, the College provides a wide range of full time and part time qualifications at Level 1 – 3 which provide progression routes to higher level courses. In the context of an International Services Zone such qualifications include:

- Accounting Technician (IATI)
- Chartered Institute of Insurance
- Book keeping
- Computerised accounts
- Secretarial and Business & Administration
- Software Applications Training (including
- Computing
- Communications and Network Development

One of the most significant areas of engagement undertaken by the College is in the provision of second chance opportunities for adult returnees. In conjunction with the University of Ulster the College offers a number of pathways through its Adult Access provision. The Adult Access pathways are offered in seven areas including Business & Finance and Computing, Science and

Technology, Community Development, Humanities and Construction and Engineering and provide direct progression routes to degree programmes.

The College's Business Support Unit also provides a range of direct support services to local and regional businesses including bespoke training solutions, consultancy, prototyping and product development services. The Unit operates a number of support programmes for local business including the Knowledge Transfer Programme, Connected (HE in FE Collaboration through Knowledge Transfer) and INTERact, a programme designed to partner students and academic staff with industry through real business generated project work.

The College also has two pre-incubation and incubation facilities located in Portadown and the Greenbank Campus, Newry. DKIT and SRC have a history of working collaboratively in supporting the development of incubation services. This includes the recent Border Innovation Gateway programme aimed at supporting individuals in moving their business idea on to a pre-incubation phase and ultimately leading to the establishment of fledging businesses.

The College sits on the Newry & Mourne Labour & Education Forum. The forum is managed by the local chamber and has representation from all local secondary and grammar schools. This forum provides a platform for informing future graduates of the opportunities that exist locally. The forum has the capacity to help address potential skills shortages by providing local careers teachers and schools with relevant up to date information and advice including the establishment of an International Services Zone and the skills set needed locally to support such initiatives.

Dundalk Institute of Technology currently has 4,200 full time and 1,500 part time enrolments. The Institute offers programmes from level 6 (higher certificate) to level 10 (PhD) in the National Qualifications Framework (NQF) though the majority (approximately 80%) of enrolments are at level 7 (ordinary degree) and level 8 (honours degree). The Institute has four constituent schools:

- School of Business and Humanities
- School of Engineering
- School of Informatics, Music and Creative Media
- School of Nursing, Health, Midwifery and Applied Science

The Institute has in recent years developed its research capability with an emphasis on supporting teaching and learning at levels 8 to 10. Its research programme focuses on four major themes:

- Ageing and Health (with the Centre for Smooth Muscle Research and the NetWell Centre)
- Renewable Energy and the Environment (with the National Centre for Freshwater Studies and the Centre for Renewable Energy)
- Informatics and Creative Media (with the Software Technologies Research Centre)
- Entrepreneurship and Innovation (with the Centre for Entrepreneurship)

The Regional Development Centre (RDC) was established on the campus in 1989 and accommodates campus companies by providing incubation and other supports. It also houses a number of the Institute's research centres. The centre also liaises closely with development agencies both north (Invest NI, InterTradeIreland) and south of the border (Industrial Development Authority, Enterprise Ireland, Louth County Enterprise Board). With these partners, the centre plays an important role in supporting economic development. One initiative led by the centre was the MIDAS project which supported the development of a cluster of digital creative media enterprises in the East Border Region through a range of initiatives including provision of educational programmes (e.g. Digital Diversity), a research programme and an enterprise support programme.

This initiative was conducted on a cross border basis and involved DKIT, Southern Regional College, Queens University Belfast and University of Ulster.

The Centre for Renewable Energy at DKIT (CREDIT) was established in 2002 with a vision to assist Ireland in its transition to a renewable energy based economy. Since then, it has become a national focal point for renewable energy research & development and also provides academic programmes at a range of levels in the area of renewable energy. The following programmes are currently offered:

- *MSc. in Renewable Energy Systems*: This course is offered on both a full-time and part-time basis.
- *Renewable Energy Installer Academy*: This is a joint venture between Action Renewable (NI) and Sustainable Energy Ireland (RoI) and aims to train already qualified plumbers on the installation of Solar Thermal Hot Water Systems, Heat Pumps and Biomass Burners.
- *Renewable Energy Summer School*: This constitutes an introductory level course for the general public covering renewable energy technologies.
- *Renewable Energy Technologies Evening Course*: This course is aimed at home and small business owners who are interested in installing renewable energy systems in their homes or businesses.

Sub-Regional Education and Skills Requirements

The Newry Dundalk sub-region is taking substantial strides in strengthening links between education and industry although to date both parts have been acting independently in promoting inward investment strategies. In delivering on the education and skill requirements of business stakeholders and new investors there is a need for closer working relationships between DKIT and the Southern Regional College.

Existing Constraints to Cooperation

There are a number of blockages which are specific to the sub-region which need to be addressed as follows:

1. Government Restrictions

The core business of DKIT is in the provision of higher level education and training. This differs from the SRC where further education skills and training is the more significant element of business operations. Full time higher level provision is significantly smaller than that offered through DKIT with only 480 full time students enrolled annually on Foundation or other Intermediate Higher level qualifications including Higher National Diplomas.

Unfortunately, due to current Government restrictions the College is unable to increase its full time higher-level intake. This is an increasingly frustrating position given that the College is expected to respond to local and regional employer needs. This issue must be addressed if the College is to play its part in the development of an International Services Zone

Despite the restrictions on full time recruitment, the College has a more significant and vibrant part time portfolio of higher level courses which is not restricted by Government caps. The College currently offers a wide range of higher level intermediate qualifications including Foundation Degrees and HNDs as well as full honours degree programmes.

Although both organisations may differ significantly in terms of its core business there is enormous potential to build on the complementarity of each others curriculum portfolio.

2. *Qualifications Systems*

The qualification systems in both jurisdictions still differs greatly and articulated pathways between both is not well defined. However, the Bologna Declaration⁸ provides the framework for establishing clear articulated progression routes for students. For example, students completing the Northern Ireland Foundation Degree in Financial Services could progress to the full time Honours Degree in Financial Services offered through DKIT.

3. *Cultural Differences*

Despite the potential opportunities that exists for the development of articulation routes it must be emphasised that the cultural differences, almost barriers, exist between Dundalk and Newry and also contributes to people's reluctance to move between institutions.

4. *Validation Processes*

Unlike DKIT the Southern Regional College does not currently have degree awarding status. This results in a more protracted process to ensure that new higher level qualifications are brought on line in response to local needs. The College must enter into a validation process with one of the local universities if it seeks to develop any new higher level provision.

5. *School Engagement*

The recent skills survey undertaken by Newry & Mourne Enterprise Agency on behalf of the Labour Education Forum has highlighted that one in four students who complete A Levels leave Northern Ireland to undertake a degree in a British University. A major challenge remains to encourage and advise parents and students locally of the advantages of undertaking higher level education through their local College and Dundalk Institute.

Raising the Profile of International Services in Newry Dundalk Sub-Region

Discussions undertaken with senior personnel in DKIT and SRC endorsed a commitment that both institutions will work together to support the creation and future servicing of an international services zone. The establishment of an International Services Zone working group is fundamental to taking this initiative forward. The group will be led at a senior level with appropriate representation from curriculum managers and business support staff.

In the short term the group will explore the following initiatives:

- Development of articulation agreements for progression from one jurisdiction to the other
- Develop joint strategies to embed enterprise and entrepreneurship within the core curriculum including promotion of pre-incubation opportunities
- Student and staff exchanges
- Joint promotional activities across local schools

Much of what is articulated here will be developed and funded through both Institutions. Opportunities may arise in the future to seek funding for further advancement of the project including:

⁸ *The European Higher Education Area*. Joint Declaration of the European Ministers of Education convened in Bologna on 19 June 1999)

-
- Collaborative partnerships with local employers to ensure that qualifications and training are fit for purpose
 - Joint e-learning strategies to support more flexible modes of curricular delivery particularly in the financial services sector
 - Joint marketing initiatives to promote international tradable services
 - Establishing a joint Centre of Excellence for Financial and International Services in Newry (SRC) and Dundalk (DKIT) – aligned to existing Business & Financial Service Schools/Departments
 - Shared branding and marketing of the Centre of Excellence
 - Establishing an Inter Traded Services Centres in Newry and Dundalk providing flexible office space and support services (extension of existing incubation facilities)

Supporting Other Regional Initiatives

There are other areas of sub-regional collaboration identified through the working papers where cooperation between DKIT and SRC can build work force capacity, these include:

- **Sustainable Energy Communities: A Platform for the Newry-Dundalk Twin City & Regional Development**

It is the view of Dundalk 2020 that developing two strong sustainability centres in Dundalk and Newry could ultimately evolve into a Sustainable Energy Institute offering programmes based on modular units looking at energy efficiency and renewable technologies. The institute could provide courses for local authorities, agencies and private sector on sustainable energy practices, accelerating the sustainability development process and helping transfer the practical experience into taught programmes. Dundalk Institute of Technology offers sustainability-related courses and degrees through its Centre for Renewable Energy, which was founded in 2002. The DKIT centre would play a key role in developing the Sustainable Energy Institute with SRC.

- **Tourism**

Working Paper Working Paper 7--Managing a Shared Landscape and Natural Heritage, outlines options for promoting regional and local economic development through careful development of tourism activities. Additionally, Working Paper 2- Regional Profile and Socio-Economic Dynamics of the sub-region notes the recent studies of Regional Forecasting regarding the growing importance of tourism for generating future jobs. The Southern Regional College currently has programmes in: Hospitality and Management and Travel and Tourism. Again, both educational educations could begin to cooperate in this area to develop a qualified local workforce.

Key Finding

Newry and Dundalk are endowed with valuable higher education assets that can, and should be utilised as key components of a collaborative strategy to ensure their continuing competitiveness as the all-Island economy continues to develop and evolve in the context of a changing global economy. The role of the two main institutions – the Southern Regional College and the Dundalk Institute of Technology – should be clarified in order to avoid a wasteful use of resources resulting from unnecessary competition between them and allow each to develop complementary educational

specialties that meet the labour skill requirements demanded by current and future employers. In addition to encouraging excellence in complementary fields, there is a need to develop educational sequences recognised in the North and the South that allow students to move from one institution to the other as they progress in their studies. Given the accessibility of Newry and Dundalk to a wider cross-border region, the choice between attending either institution should be made on the basis of their complementary academic offerings rather than on the country of residence of the student. This is particularly relevant for students interested in enrolling in continuing education courses to update their skills and take advantage of employment opportunities in emerging economic sectors.

In addition the two institutions should jointly assess emerging employment requirements in the sub-region and take a proactive role in placing their graduating students, particularly those enrolled in continuing education courses, continuing education courses, by creating a joint placement service in close cooperation with local employers.

Supporting the Implementation of Cross-Border Collaborative Frameworks: Newry- Dundalk Sub-Region

Working Paper 6

Infrastructure: A Connected Region



19 June 2008

Working Paper 6
Infrastructure: A Connected Region

Table of Contents

Infrastructure and Economic Competitiveness	1
A Connected Newry-Dundalk Sub-Region.....	1
Infrastructure Improvements in the Newry Area	2
Infrastructure Improvements in the Dundalk Area	4
Sub-Regional Infrastructure Improvements.....	5
Conclusions.....	6

Infrastructure and Economic Competitiveness

A world class infrastructure is a fundamental driver of economic competitiveness. Appropriate transport links, roads, public transportation, energy supply, waste management, telecommunications networks, education, and health facilities are essential to maintain a high living standard and ensure it rising over time. Conversely, inadequate infrastructure can increase production costs, reduce the productivity of existing firms and detract from a region's attractiveness as an investment location.

Spatial planning provides the framework by which infrastructure is distributed and linked across regions and jurisdictions. The literature on spatial planning and regional development stresses the importance of urban networks and transportation corridors in facilitating economic competitiveness within the context of the Lisbon Agenda. The agenda recognises that towns and cities are the key drivers for growth within their regions. In today's global environment, trade and investment decisions are increasingly influenced by the investment climate offered by competing urban areas. It is therefore crucial that city regions position themselves to retain their competitiveness and attract foreign direct investment. This requires the positive alignment of a wide range of policy decisions traditionally made at the local level. It requires the constructive engagement of key stakeholders working in partnership to enhance the competitiveness of towns and cities within a region.

On the island of Ireland, spatial planning, under the aegis of the National Spatial Strategy in the South and the Regional Development Strategy, in the North, aims to create a more rational territorial organisation of land uses and the linkages between them; to balance demands for development with the need to protect the environment; and to achieve social and economic priorities. Both strategies recognise the need to improve infrastructure provision to maintain the island's economic competitiveness, support innovation and entrepreneurship, and ensure that a skilled labour force, including management capability, will support the implementation of sub-regional economic development strategies. Both strategies link infrastructure investment to the implementation of spatial planning to ensure that it supports sub-regional functionality and sustainability.

Major investments in infrastructure are planned by both the North and the South. The recently published *Investment Strategy for Northern Ireland 2008-18* proposed an infrastructure investment of £18 billion in Northern Ireland over the next 10 years or £220 per person. Together with the Republic's *National Development Plan, 2007-2013* proposed investment programme of €880 per person, the total planned infrastructure investment on the island of Ireland will amount to over €200 billion by 2018.¹ Joined up cooperation on the delivery of these investments will help ensure more efficient planning of key infrastructural projects, value for money, economies of scale in public investment and better deals from financial markets (Strategic Investment Board, 2007).

A Connected Newry-Dundalk Sub-Region

The central location of the Newry-Dundalk sub-region on the East Coast Corridor makes it a priority target for the development of a North-South strategy for infrastructural projects to increase accessibility to the main airports in Dublin and Belfast and other parts of the island. Improved infrastructure in the Newry-Dundalk sub-region will strengthen regional cohesion; help its *economy* by developing the skills base and facilitating innovation and entrepreneurship; and raise living standards for all its citizens by creating job opportunities within the two communities. Improvements to infrastructure will facilitate the movement of goods and people within the sub-

¹ Press release on report issued by the Joint Business Council ([acquire copy](#))

region and provide better access to services. Improved transport systems, specifically linkages to airports and ports, as well as an ICT infrastructure and cultural connectivity within the sub-region are particularly significant to ensure the continued competitiveness of the sub-region and meet future demand.

Both Newry and Dundalk, respectively designated as a “hub” and a “gateway town” by the two spatial strategies,² acknowledge the importance of infrastructure provision in developing a competitive economic base, raising their profile to inward investment and expanding their market share. Both jurisdictions continue to support investment in the road and rail links along the Dublin-Dundalk-Newry-Belfast trans-European corridor. The upgrading of the entire Dublin-Belfast road (M1/A1) to motorway/dual carriageway status has given prominence to this corridor as a major axis for economic development.

Newry and Dundalk and their environs continue to grow at a rapid pace with the result that there is a growing demand on the existing infrastructure. The development of a high quality, high capacity road infrastructure joining the main centres of Newry and Dundalk needs to be supported by a network of well maintained distributors in order to maximize the attractiveness of the sub-region to residents, businesses, investors and tourists. Strategic road and rail infrastructure will reinforce the objective of cross-border balanced development and promote the accessibility of the sub-region as a focus for population growth, sustainable economic development and inward investment. The key cross-border projects being proposed in this research (Sustainable Energy Zone, European/UNESCO Geopark, International Services Zone and the regeneration of Newry City and Dundalk Town Centres) are all dependant upon good infrastructure provision within the sub-region linked into the M1/A1 transport corridor.

Improvements in the provision of public transport facilities will include the construction of a new train station in Newry at a cost of £12.5m; the intention by Translink to increase the number and level of services from Dublin to Belfast; increasing the existing provision of services between Newry and Dundalk; and increasing the use of park n’ ride facilities.

Infrastructure Improvements in the Newry Area

Specifically the heavy congestion problem internal to Newry City Centre and the impacts on the surrounding environs need to be resolved in line with its hub, corridor and gateway status within the Regional Development Strategy. A key project under study that would go some way towards relieving the congestion impacts of through traffic on businesses in the city is a proposed Southern Relief Road (SRR). This would provide a bridge linkage from the A2 Warrenpoint-Newry Dual Carriageway to the A1 Belfast-Dublin Road at the Cloughoge Roundabout. Key stakeholders involved in the Greater Newry Vision team have lobbied government to have this project prioritised by DRD Roads Service. Other initiatives being promoted by a partnership of key agencies as part of the Greater Newry Vision include the Narrow Water Bridge proposal to promote and enhance tourism linkages with the Republic of Ireland; the Newry River Weir; the Albert Basin development site; and the Newry City Regeneration Initiative.

The key issues supporting the case for the SRR can be made as follow:

- Due to the continued growth and development of the Newry and Mourne Region, Newry City is experiencing growth in traffic congestion. One of the key routes into

² The NDS defines a *gateway* as “an important interchange point which connects ports and airports to the internal transport network” (DRD, 2001). Within the RDS Newry is designated a *hub* and is described as having a major international gateway role reflecting the availability of access by several modes of transport.

the City Centre is along the Warrenpoint-Newry Dual Carriageway (A2). This route provides the main linkage between South Down and Newry City and is also the route for South Down traffic travelling south to Dublin, north to Belfast and west towards Craigavon. Given the current road network the traffic coming from Warrenpoint Port is channelled through the City Centre.

- Current traffic patterns have negative impacts on the Newry City Centre economy and environment: there are pervasive delays during peak and inter-peak periods; congestion at weekends due to shopping trips; the mixing of through and local traffic as freight and heavy goods vehicles enter the city centre. A do-nothing option is now considered to be impracticable given that future transport problems in the city centre will worsen as the volume of through and local traffic continues to escalate. In addition, more traffic will be generated as proposed development projects are implemented at Warrenpoint Port/Harbour, the Quays Shopping Complex and the Albert Basin.
- The Warrenpoint Port Authority, representing a key business hub for Newry and Mourne and for the island of Ireland, has voiced concern regarding the impact traffic congestion in Newry is having on its business capacity. It is estimated that 98% of all traffic related to Warrenpoint Port uses the A2 Newry dual carriageway, that 90% of this traffic is destined for locations other than Newry itself and that 48% of its trade goes south via the M1. It is therefore critical from the transport cost perspective that the logistics problem caused by major traffic delay at Newry is addressed.
- The Newry and Mourne District Council is seeking bids from the private sector for the redevelopment of the Albert Basin, a prime 15-acre brown-field site. The estimated investment of £100m being invested over five years will have a major impact on Newry and the sub-regional economy. It will also generate additional traffic that will have a significant impact on the already congested William Street, Bridge Street, and Dublin Bridge area of the city centre. The SRR offers a potential solution to removing the blockages that will constrain the development of this landmark site for the city.
- As a consequence of the pollution caused by current traffic congestion a number of statutory Air Quality Management Areas (AQMAs) in Newry City Centre have been designated under Part III of the Environment (Northern Ireland) Order 2002 which places a statutory duty on district councils in Northern Ireland to periodically review and assess the air quality within their council area. The construction of the SRR is considered essential to meeting these environmental objectives by improving traffic flow and diverting through traffic from the city centre.

The DRD Roads Service is currently engaged in conducting a transportation study (at a cost of £700,000) to assess the feasibility of options for providing a SRR including its potential benefits, impacts and funding. **(Meeting has been requested with consultants)**

The improved accessibility of the Newry-Dundalk sub-region will be further enhanced by the decision of the Irish Government to study the feasibility of building a bridge spanning the Newry

River estuary at Narrow Water, outside Warrenpoint³. Based on a commitment both in the Programme for Government and in the NDP, this proposal will improve the links between counties Louth and Down and to facilitate the growth of the tourism industry in the Cooley Peninsula and Mourne area⁴. The SRR and the Narrow Water Bridge are currently seen as two distinct projects serving different functional needs. However, they should be evaluated in tandem as each project will have different impacts on the Newry and Dundalk areas. Should both be built, and their beneficial effects shared by the two jurisdictions, they would elevate the status of the Newry-Dundalk to one of the most dynamic and accessible cross-border sub-regions on the island.

Infrastructure Improvements in the Dundalk Area

The NSS has designated Dundalk as a “Gateway” for innovation and investment with the objective of stimulating an expansion of the population and economic activity. As a consequence, the Dundalk Town Council has submitted a proposal to the Gateway Innovation Fund for the construction of new infrastructure to meet the needs of a future population of 60,000 in an environmentally sustainable manner⁵. The proposal addresses both improved access and the local infrastructure necessary to ensure a high quality of life based on a sustainable use of energy. The vision for the Gateway development reflects a series of strategic goals to establish Dundalk as a 21st century competitive economic centre; to create a high quality urban environment; to foster inclusive and sustainable communities; and to establish it as a world class tourist destination.

The economic development of Dundalk has historically been constrained by a shortage of developable land in its hinterland due to the lack of infrastructure. The Gateway initiative proposes to develop previously unused and inaccessible lands for a mix of uses, designed in an innovative and environmentally sustainable way. The key infrastructure-led projects identified include:

- Residential development to the south-west of the town to develop a new “eco-neighbourhood” modeled on the concept of sustainable energy-efficient living adopted by the exemplar Dundalk 2020 project.
- Commercial, leisure and services development to the north-west of the town to provide jobs and generate cross-border effects. The proposed development will again reflect the concept of sustainable use with high quality design and environmental specifications on energy efficiency. It is envisaged that the higher environmental and design standards will provide lower business costs, quality designed property solutions, improved competitiveness and more efficient resource utilization.

The enabling infrastructure for both projects will include improved access roads; an underground pipe network for district heating; an intelligent SMART public transport system and hybrid bus technology; and broadband provision.

³ Press release by Dermot Ahern, Minister of Foreign Affairs, 21st January 2008 stating that the Department of Transport has provided Louth County Council with €390,000 to conduct a technical study on the feasibility of a bridge at Narrow Water.

⁴ Press release by Margaret Richie, Minister of Social Development stating that the new bridge will be an exciting gateway to help tourism in the area, 8th February 2008

⁵ Gateway Innovation Fund, Proposal for GIF Support for Dundalk, Submitted to DOEHLG, Dundalk Town Council, November 2007.

-
- Development of a cycle-ways network throughout the area that will link up with the existing and planned cross-border route to Newry and the Colley peninsula and to Castle Bellingham going south.

A further project standing outside of the Gateway Innovation Fund Initiative, but which is directly related to the delivery of these residential and commercial-led projects, is the completion of the central section of the Western Infrastructure Road at a total cost of €63.6 million. It is expected that the proposed residential and commercial projects will provide funding for the Western Infrastructure Road through levies, planning conditions and developer contributions.

Sub-Regional Infrastructure Improvements

The Newry-Dundalk sub-region is in the privileged position of having three strategically important ports at Dundalk, Greenore and Warrenpoint. Each has an important complementary role in meeting the needs of the sub-region and the all-island economy. Dundalk Port operates as a leisure, fishing and small cargo port; Greenore as a deep sea port; and Warrenpoint as a roll-on/roll-off, fishing and leisure port. All three have land assets suitable for the development of employment generating activities.

Warrenpoint, as the third largest port in Northern Ireland and the fifth largest on the island in terms of volume of trade, is well advanced with its investment strategy to expand its facilities. Clearly, it is a key player in the sub-region for two reasons. Firstly, port business will grow as a result of an £18.2 million investment to build a new roll-on/roll-off ferry, bridge pontoon and ramp together with new deep water facilities to accommodate larger vessels using the harbour. The principal roll-on/roll-off tenant, Seatruck Ferries, is demonstrating its commitment to Warrenpoint by investing €65 million in two new ferry vessels for their Heysham service. Secondly, Warrenpoint Harbour Authority is a major employer in South Down and an economic driver for the immediate South Ulster and North Leister catchment area. It is estimated that Warrenpoint generates 1,200 jobs for the Newry-Dundalk sub-region, both directly and indirectly, that is including agents, haulage companies, and related employers.

At Greenore, the port promoters (Dublin Port Authority and One51) have applied to An Bord Pleanála under the newly introduced Strategic Infrastructure Act to have a planning proposal to develop a roll-on/roll-off and lift-off port development fast tracked through the planning system. The project, involving an investment of €27m will create 300 metres of new quayside and floating bridge to cater for the expanding container traffic and to capitalize on its direct access to deep water. It is estimated that Greenore's total capacity could rise from 850,000 tonnes to 2.4m tonnes per annum following the implementation of the proposed expansion plan.

From a strategic perspective, investments committed and proposed for port expansion facilities will be significant to the economic competitiveness of the sub-region, especially where complementarity of provision occurs. On the downside the potential threat of competition and duplication of port functions and facilities to accommodate the potential increase in container trade between the ports within the sub-region would be counterproductive to a sub-regional strategy.

The Greenore-Greencastle Ferry Link constitutes a further infrastructural project with sub-regional potential. In 2005 the Newry-Dundalk Joint Chamber Forum commissioned a study into the feasibility of the development of a ferry service linking Greenore in County Louth with Greencastle in County Down⁶. Utilising evidence from examples of best practices, the business case indicates

⁶ Newry-Dundalk Joint Chamber Forum (2005), Business case analysis to support the introduction of a Greenore

that a potentially viable ferry service operation could be established between Greenore and Greencastle. Based on the anticipated number of users in the first year of operation, it estimated that a ferry service will generate a further €1,650,000 for the local economies as a result of its potential positive impact on tourism, community economic development, and business growth. Stakeholder opinion in support of the facility recognises the benefits of promoting Carlingford Lough as an attractive and accessible tourist destination, whereas local opponents to the project have raised concerns regarding its environmental impacts.

Conclusions

Both parts of the cross-border sub-region are endowed with rich natural and human resources and a potential for significant growth. Overall, the various infrastructure projects proposed by both jurisdictions and by the two local governments for the Newry-Dundalk sub-region offer the potential to increase its competitiveness within and all-island context. Public sector-led infrastructural investments will leverage significant private sector development activity into key opportunity sites. Yet, the benefits of these public investments can be enhanced by closer collaboration between the agencies at the central levels responsible for their elaboration. In particular, it would be beneficial to ensure that the impacts of specific interventions proposed primarily for one jurisdiction on the other is an integral part of their assessment – the Southern Relief Road and the Narrow Water Bridge at Warrenpoint, for example. Ensuring that dependent road improvements are carried out in a timely fashion will enhance the positive impact of these two major projects on the sub-region as a whole

Similarly, coordination of the studies to improve the sub-region's port facilities will ensure that these major investments are not redundant and that both Newry and Dundalk can determine subsidiary local improvements that will allow them to derive the maximum benefits from their eventual implementation. Clearly collaboration between the local and statutory authorities in both jurisdictions will be necessary to develop these projects and coordinate the necessary planning requirements, including the assessment of their environmental impacts.

A coordinated commitment to infrastructure improvements by the Northern and Southern authorities will integrate environmental and economic considerations, facilitate the continuation and development of cross-border cooperation that has become a hallmark of the two local governments and lead the way to a more sustainable future for the sub-region.

Supporting the Implementation of Cross-Border Collaborative Frameworks: Newry- Dundalk Sub-Region

Working Paper 7

Managing a Shared Landscape and Natural Heritage

DRAFT FOR INTERNAL REVIEW



June 23, 2008

Working Paper 7

Managing a Shared Landscape and Natural Heritage

Introduction	1
Environmental Management Options	2
Option 1: National Park	3
Option 2: Working With Existing Designations	4
Option 3: Geo-Tourism	7
International Practices	11
Key Findings	12
Annex 1: Proposed Listing of Key Stakeholder Groups	14
Annex 2—Existing Facilities	15
Annex 3— Existing Groups working with Environment and Tourism	18

Introduction

The Newry-Dundalk sub-region is very fortunate to lie in the heart of an incredibly beautiful cross-border landscape. Together, the Mournes, Slieve Croob, Slieve Gullion, Cooley Peninsula, Carlingford Lough and Dundalk Bay offer a cross-border resource that includes unique geology, archaeology, ecology and a history that is important to region's heritage. Residents of Newry and Dundalk and other nearby communities share this resource with visitors within a 60-90 minute drive from the major urban population centres and the international airports of Belfast and Dublin.

The Colin Buchanan Report titled "*Newry Dundalk 2006: A New Perspective on the Development of the Region*" made a compelling case for protecting and enhancing the use of this shared cross-border asset for tourism, recreation and economic development¹. The location and the quality of the region's assets are clearly viewed by many as a resource of significant value and constitute the case for an integrated environmental approach involving both jurisdictions. The three local jurisdictions of County Louth, Dundalk Town Council and the Newry and Mourne District Council recently sponsored a studio of the Harvard Graduate School of Design to explore alternate options for the use and care of landscape surrounding both jurisdictions.

Both the National Spatial Strategy and the Regional Development Strategy respectively support the management of shared natural heritage along an increasingly urbanised east coast and the Dublin-Belfast corridor. Finding joined-up mechanisms for managing such a major environmental and economic cross-border asset is a perfect example of a strategic project recommended for the collaborative spatial planning framework in the *InterTradeIreland/ICLRD* report on spatial planning.²



Slieve Croob

(source)



Carlingford

(source)

Introducing a broader sustainable development approach to this unique cross-border area can bring social, economic and environmental benefits to existing and future residents of the region. Experiences elsewhere in Ireland, Europe and North America provide examples of how economic and environmental objectives can co-exist to the benefit of existing rural landowners and residents living in nearby urban centres such as Newry and Dundalk. Unfortunately, there are other examples of how the lack of consensus and cooperation pose a long-term environmental and economic threat. Slow but

¹ Colin Buchanan (2006) *NewryDundalk, A New Perspective on the Development of the Region*, Colin Buchanan, Belfast

² *InterTradeIreland (2006) Spatial Strategies on the Island of Ireland: Development of a Framework for Collaborative Action*, Prepared by ICLR, ITI, Newry. The recommendations in the report were adopted by both Governments.

steady urbanisation pressures or unmanaged growth in visitors and tourists can erode the environmental qualities enjoyed by current residents and visitors.

Environmental Management Options

In the last two years since the Colin Buchanan Report was published, different initiatives have been explored to identify cross-border environmental management approaches. This working paper summarises these initiatives and provides options to future consideration by central and local authorities from both jurisdictions as well as other stakeholders.

The challenge is how to manage the sustainable development of a shared high quality landscape and natural heritage in the Newry and Dundalk sub-region.

There has been on-going debate concerning the possible management options for the area, these include:

- A transnational park as recommended in the Buchanan Report for the Carlingford Region;
- National Park status for the Mourne area in Northern Ireland; and
- A non-statutory Geopark based on the geological heritage of the sub-region linked to a holistic concept of protection, education and sustainable development.

Although a considerable amount of research and stakeholder engagement has been undertaken concerning these options, a clear direction on the way forward has yet to materialize.

Central and local authorities, residents and businesses on both sides of the border clearly recognise the need to proactively manage their shared environment; the do nothing approach normally associated with the ‘back-to-back’ planning in the past is no longer viable. This working paper summarizes a number of current options: (A) National Park; (B) working within existing designations and arrangements; and (C) a Geopark. The Geopark option is developed in more detail with a view to informing the current debate regarding its scope, capacity and viability. The National Park option has been thoroughly vetted in different public processes and information is available from other sources. Option 3—Working within existing designations and arrangements compiles existing information on a cross-border basis. A short background on international best practices in the management of sensitive cross-border environmental areas is also provided.



Mournes (Source?)



Slieve Gullion (Source?)

Option 1: National Park

To date the most concerted debate has focused on the National Park option for the Mourne National Park in Northern Ireland. In 2004 a working party was established to consider the boundaries, management structure, consultations and recommendations for a proposed Mourne National Park.

Extensive public consultations were undertaken to identify the potential benefits and disadvantages that national park designation would bring to the local area and to the wider region. The working party report published in November 2007 by Environment and Heritage Service indicates the contentious nature of national parks with contrary perspectives from those who do not favour designation; to those who have significant concerns; and finally to those who see significant economic benefits and tourism potential³.

The key concerns for those opposed to the designation relate to perceived restrictions on land ownership rights, deterring new businesses, restrictions on the owners' access, pressures from tourist numbers and erosion, and vandalism, littering and dumping. Benefits outlined by advocates for national park status included '2,000 extra jobs by 2020 and an additional 80 million sterling of expenditure over and above a 'do nothing' scenario'.⁴

The key message from the working party report is the need for effective partnership and building mutual respect and trust based on dialogue and communication. Recommendations coming out the three-year process include:

- Arrangements should have the capacity to enable more effective management of the area and enable visitors numbers to be better managed;
- Promote local representation and accountability and provide mechanisms for local residents and businesses to have a say in how the area is managed;
- Ensure that environmental oversight and management is not bureaucratic or overly restrictive yet is backed up by adequate funding and necessary enforcement powers (Environment and Heritage Service, 2007); and lastly
- Responsibility for management should rest with the democratic representatives, landowners and occupiers, local community representatives and those with relevant sectoral expertise.

Lastly, a key lesson learned from the National Park debate is the need to ascertain the views of local landowners and farmers early in the process and work with them to ensure that their concerns are addressed.

Summary

The report by the working party⁵ concludes that while a significant degree of consensus has been achieved, legislation for national park designation lies several years ahead and that in the interim, the strengthening of AONB legislation and powers should be considered.

³ Environment and Heritage Service (2007) Mourne National Park Working Party Report to the Minister, EHS, Belfast

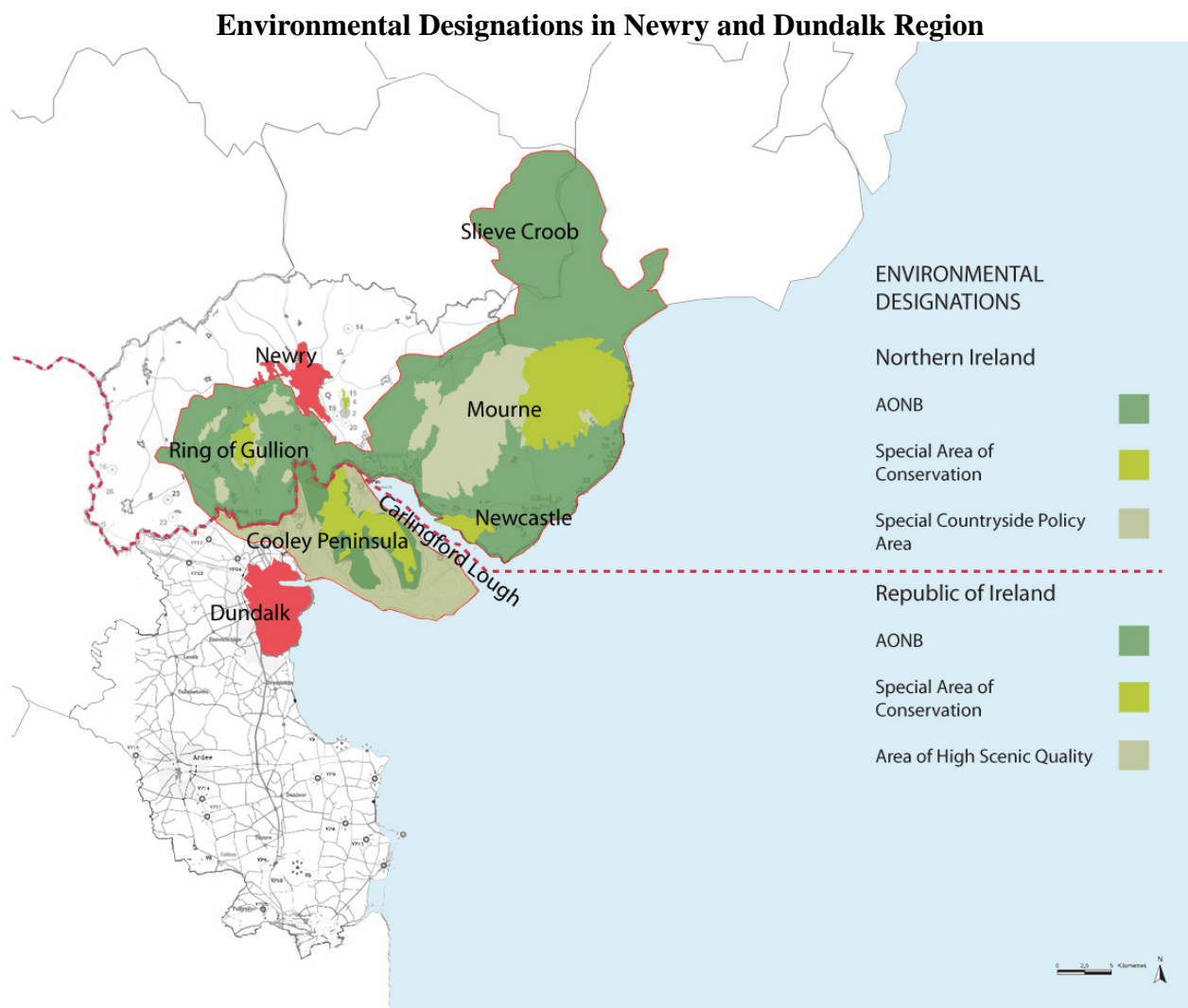
⁴ Tourism in Mourne: Current and Potential Economic Impact' as cited in Draft version of Newry and Mourne in Focus: Economic Profile, Sept., 2007 by Regional Forecasts.

⁵ The report can be found at <http://www.mourneworkingparty.org/>

Furthermore, the lack of parallel or compatible national park legislation in the Republic of Ireland means that, cross-border management, even if done separately on each side of the border, will be working from very different legal and management structures.

Option 2: Working With Existing Designations

This option recognizes the importance of the existing designations in the management of the environmental assets of the Newry-Dundalk sub-region. This includes the conservation measures applying to the sub-region which essentially takes a regulatory perspective. Large segments of the landscape are protected by a number of conservation designations including Areas of Outstanding Natural Beauty (AONB); Special Areas of Conservation (SAC); and Special Protection Areas (SPAs). It should be noted that while similar environmental designations are used both north and south of the border, the levels of environmental protection are different.



Source: Banbridge/ Newry & Mourne Area Plan (2015 - Draft Plan and the Louth County Council County Development Plan

Conservation Designations in the Newry-Dundalk Sub-Region		
<i>Areas of Outstanding Natural Beauty (AONB)</i>	<i>County Louth</i>	<i>Newry & Mourne District Council</i>
• Mourne AONB		X
• Ring of Gullion AONB		X
• Carlingford AONB (County Louth planning designation)	X	
<i>Special Area of Conservation (SAC)</i>		
• Carlingford Mountain	X	
• Carlingford Shore	X	
• Dundalk Bay	X	
• Eastern Mournes		X
• Murlough		X
• Rostrevor Wood		X
• Slieve Gullion		X
<i>Special Protection Area (SPA)</i>		
• Carlingford	X	
• Carlingford Lough	?	X
• Dundalk Bay	X	

In the Newry-Dundalk sub-region there are a number of other designations. In Northern Ireland the sub-region includes:

- Ninety-three state care or scheduled historic monuments. The Dorsey Earthworks in South Armagh has also been designated an Area of Significant Archaeological Interest under the Draft Banbridge/Newry & Mourne Area Plan 2015.
- Two National Nature Reserves
- Thirteen Areas of Special Scientific Interest including six geological areas with a further 5 currently being designated
- Eighty-five sites of Local Nature Conservation Interest
- Ten historic parks and gardens

In County Louth there are:

- Ten national monuments, three zones of Archaeological Potential and a hundred or more recorded monuments
- One area of High Landscape Quality
- Cooley CLAR (Programme for Revitalising Rural Areas) which fast-tracks National Development Plan funding into areas of depopulation and rural decline. The Cooley Peninsula has been identified as an area requiring this approach.⁶
- Sixteen proposed Natural Heritage Areas including fourteen geological sites.

⁶ http://www.louthleader.com/cms/publish/article_23.shtml

The region has also a rich biodiversity. European Dry Heath comprising ling heather, bell heather and dwarf gorse as well as other species is a characteristic feature of the landscape. At the base of the mountains are lakes, bogs, marshes and fens rich in a diversity of vegetation and invertebrate life. Carlingford Lough is rich in marine life and a bird habitat of international significance. Dundalk Bay is Ireland's top bird site.

There are also facilities that can support tourism and local economic development in the sub-region; these include for example:⁷

Republic of Ireland

- *Holy Trinity Heritage Centre, Carlingford*
- *Omeath District Development Company Ltd.*
- *County Museum, Dundalk*

Northern Ireland

- *Bagenal's Castle - Newry and Mourne Museum, Newry.*
- *Ti Chulainn Cultural Activity Centre*
- *Slieve Gullion Courtyard*
- *Aras an Chairdinell Heritage Centre*
- *Burren Heritage Centre*
- *The Nautilus Centre*
- *The Cnocnafeola Activity and Conference Centre*
- *Silent Valley Gate Lodge*

The concept of a new 'Interpretative Centre' linked to a future Geopark has also been discussed. The centre could provide state-of-the-art interpretative facilities on geology, landscape, natural and marine history, archaeology, architecture, craft industry, culture and folklore. It could also act as the administrative hub for the Geopark. This proposal requires additional research and a business plan.

Summary

The option of working within existing regulatory designations and facilities recognizes the importance of the assets, strengths and facilities that the sub-region possesses.

There are existing heritage centres distributed across the area and the potential exists to create a joined up approach to marketing the activities of these various facilities and others that may exist. Central to the option is the need for a more detailed audit of the existing facilities within the sub-region. This should enable a management and marketing strategy to emerge based on the interrelationship between the various centres.

⁷ Please see Annex 2 for short descriptions of each facility

In terms of conservation area designations and their role in managing and protecting the environmental assets of the regions, there are differences between the respective jurisdictions that can make joined-up actions a challenge. Even at the most basic level, there are limited operational mechanisms for coordination. For example, Map 1, Environmental Designations in the Newry Dundalk Region was developed by ICLRD using information and maps from both sides of the border and the Marine Irish Digital Atlas.⁸ A scoping study is recommended to consider the capacity of the statutory and non-statutory policy initiatives in meeting the challenges managing the environment in the sub-region.

Option 3: Geo-Tourism

Beginning in 2006, a Newry-Dundalk Joint Committee began exploring the option promoting geo-tourism through a non-statutory ‘Geopark’ for the Mournes, Ring of Gullion and Cooley areas. The joint committee includes local and central government officials from both jurisdictions including representatives from Newry and Mourne District Council, Dundalk Town Council, Louth County Council, Mourne Heritage Trust, Regeneration of South Armagh (ROSA), the Geological Survey of Ireland and the Geological Survey of Northern Ireland.⁹

Background to the Geopark Concept

A Geopark is an area that includes a particular geological heritage that is linked to a holistic concept of education, protection and sustainable development. Non-geological themes are also an integral part of many Geoparks, particularly sites with ecological, archaeological, historical or cultural value which are linked to landscape and geology. There are now 32 Geoparks operating in Europe including two on the island of Ireland: the Copper Coast European Geopark in Waterford (www.coppercoastgeopark.com/) and the Marble Arch Caves European and Global Geopark in Fermanagh (www.marblearchcaves.net). The Marble Arch Geopark is planning to expand its operation on a cross-border basis with County Cavan.

Designation of a Geopark is made by the European Geoparks Network (EGN) and confers membership in the network and branding as a European and UNESCO Global Geopark. The European Geopark Network aims to:

- Preserve the unique geological heritage of an area for present and future generations;
- Educate and teach the public about issues in geological sciences and their relation with environmental matters; and
- Ensure sustainable socio-economic and cultural development¹⁰.

⁸ The Marine Irish Digital Atlas (MIDA) provides both digital geospatial data and information related to coastal and marine resources in Ireland. The atlas displays data from numerous coastal and marine organizations within Ireland and abroad, thus providing the best single resource for finding and viewing existing Irish coastal and marine data. <http://mida.ucc.ie/contents.htm>

⁹ This Working Paper draws extensively upon the work of the working group including meetings held between the ICLRD team and the working group.

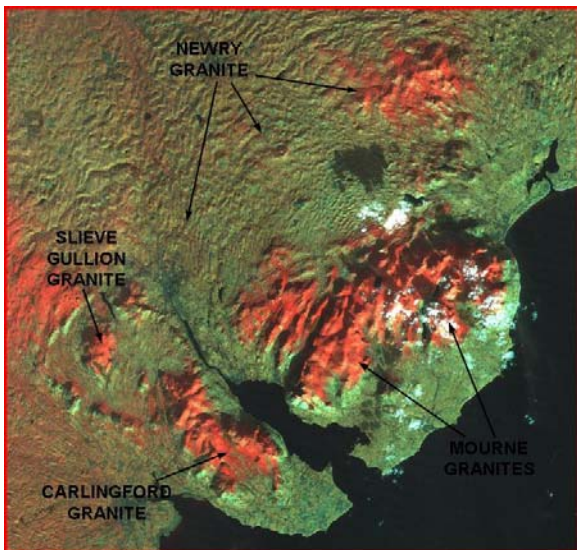
¹⁰ European Geoparks Magazine , 2007, Issue No.4, page 9

With UNESCO accreditation the Geopark “brand” is internationally recognized. UNESCO is involved in maintaining the high standards for Geopark management and creating a strong network to support training, tutoring and twinning to ensure the efficient flow of knowledge among Geoparks. Individual Geoparks and the European Geopark Network promote local economic development; for example the network promotes tourism through domestic and international channels. Local land owners and businesses can benefit through the interaction between socio-economic development and conservation of the natural environment.

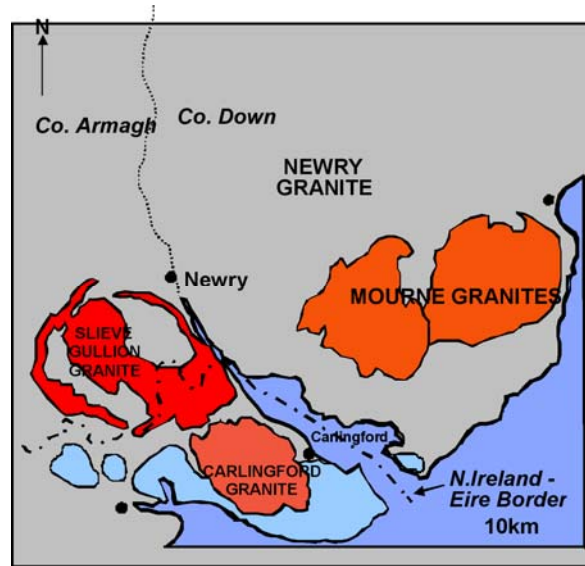
Similar types of designations are expanding globally with many countries seeing the potential to develop a distinctive green/ecotourism niche that can also promote educational initiatives directed at primary, secondary and tertiary levels.

Geo-tourism for the Newry Dundalk Region

In the opinion of the Geological Surveys north and south, the geological assets of the Cooley- Slieve Gullion-Mourne mountains area are significant and would constitute the basis for an international Geopark. For the Newry-Dundalk sub-region, the designation is seen as a mechanism for encouraging public interest in protecting the important natural and cultural heritage of the area, promoting education, and encouraging sustainable economic development. A major advantage to a Geopark is that the designation is non statutory and can be established without legislation. This is a major benefit in the case of cross-border designations where differences in environmental legislation exist.



Source: xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx



Source: xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx

The proposed Geo-tourism zone in the Newry-Dundalk sub region would include a series of scattered sites in the Ring of Gullion AONB and the Mournes and Slieve Croob AONB in Northern Ireland and an area in the Republic of Ireland in North County Louth, north of the Castletown River and incorporating the Cooley Peninsula and Feede Mountain. The areas in Northern Ireland would coincide with those of the statutory designated AONBs. The boundaries of the AONB are based on the geological landform of the respective areas and represent a landscape of exceptional quality. These areas also incorporate notably the Eastern Mournes SAC and Slieve Gullion SAC. In County Louth the areas for the Geopark will encompass Carlingford Mountain SAC, Carlingford Shore SAC and Dundalk Bay SAC and the Louth County Council designated AONB.

Geo-tourism can also highlight the geological heritage of the region through buildings in Newry and Dundalk constructed of local stone as well as highlighting the co-dependence of the towns and their rural hinterland.

For the Newry-Dundalk sub-region, the Geopark option offers a non-statutory means of promoting a cross-border working relationships in sustainable development, heritage, conservation, tourism, and education associated with a regional and local economy.

Geopark Key Stakeholders

A wide range of public and private stakeholders should be engaged in the development and implementation of geo-tourism and a Geopark. The development of a financially sustainable Geopark underwritten by the responsible councils and central government agencies, with possible EU funding will require the involvement of national government agencies, the appropriate district councils and local government authorities; conservation agencies; funding agencies, landowners and the private sector including tourism related enterprises and domestic and international tourists. A suggested list of the potential stakeholders is outlined in Annex 1.

For the proposed Geopark for the Newry-Dundalk area, it is suggested that the most viable management option is local authority-led with a wide range of stakeholder involvement in the management and decision making. A similar management approach has worked well for the Marble Arch Geopark in Fermanagh that is managed by the district council and will soon include cross-border management with Cavan County.

Outreach and Planning Process

The working group has outlined the next steps to introduce the geo-tourism concept in the Newry/Dundalk sub-region. They recommend that a steering group should be formed to support the following actions:

- Agree on an Action Programme to introduce geo-tourism and seek the necessary funding for support;
- Begin an extensive education and consultation process with key stakeholders (particularly local community);
- Identify potential key funders and the necessary financial support for the initial steps; and
- Proactive media coverage.

A two tier management structure to support the planning and development of geo-tourism has been suggested by the joint working group:

- *A Partnership Management Team.* This team will in essence formalise the existing Working Group. It should continue to meet on a regular basis to ensure the aim of the Geopark Action Programme is being delivered. A full team will need to be identified but should include the five local authorities involved in the action programme, Mourne Heritage Trust, Ring of Gullion AONB Initiative (RoSA).
- *A Liaison Group* made up of local, community and national organisations with responsibilities for conservation, tourism, local economic development, land management and culture. The

Liaison Group will meet periodically to discuss strategic issues ensuring community liaison and complementarity with national, regional and local policies and programmes. It should also include strong community representation.

The Partnership Management Team will need the support and endorsement of central and local authorities as they further introduce the project. Local authority buy-in, including the respective councillors on both sides of the border, is considered essential to get the project up and running through INTERREG funding and to ensure on-going sustainability. Additionally, given the geographic spread of the area under consideration for geo-tourism, other local authorities will be involved namely the Bandbridge and Down District Councils. Under the review of public administration, Newry and Mourne and Down District Councils will be merged into one council.

It is strongly recommended that the proposed partnership management team visits their counterparts responsible for the Marble Arch Geopark in Fermanagh. Fermanagh officials faced the similar concerns by land owners in the early stages of the development process. It would also be useful to undertake additional research into the best practices approaches in Europe through the Europarc Network.

Management and Funding

The initial work done by the Joint Working Group outlined a five-year action programme that includes staffing and funding requirements. Initial activities suggested by the action programme focus on the promotion of the concept, acquiring funding and setting up of management structures. This will be followed by assessment and recording of the geological and other heritage of the region. A capital works programme would also be prepared and implemented to improve access, interpretation and facilities to the sites of interest. There would also be the active promotion and publicity campaign, preparation of educational material and undertaking of educational activities. An application would be prepared in year four of the programme, or earlier, in order to acquire Geopark status.

The Geo-tourism team would work in collaboration with and through others in the Geopark area including the local authorities; Mourne Heritage Trust and The Ring of Gullion AONB Initiative (RoSA) who already have existing management roles in the countryside as well as promoting countryside recreation and delivering educational programmes.

Funding is available from the European Union INTERREG IV Programme via the Special European Programmes Body (SEUPB) under the Tourism measure. In cooperation with Louth County Council, Newry and Mourne District Council is taking the lead in submitting an INTERREG application for a Mourne-Cooley-Gullion Geo-tourism programme.

The one-year programme will allow the working group to develop a joint marketing and enhanced visitor infrastructure and services around the theme of geo-tourism. It will also allow the local councils and the other partners to further explore the options for applying for UNESCO geo-park status. The work plan submitted with the INTERREG application includes an extensive out-reach for consultation with stakeholders including landowners and farmers.

Summary

Both governments have expressed a strong interest in geo-tourism and the potential role the geo-park concept as a key project to take forward under the Newry-Dundalk vision. The local authorities of Newry and Mourne District Council and Louth County Council have also been cooperating on developing the concept. In addition to the obvious geological, educational and ecological benefits, the project can play an important role in sustainable economic development for the sub-region. Identifying the economic contribution of geo-tourism and who can benefit will be one of the tasks in the work plan laid out in the submitted INTERREG application. Visits to other Geoparks can show how a cross-border geo-tourism in the Newry/Dundalk sub-region can bring economic benefits to the residents in the region.

The Geopark also fits clearly within the intent of the spatial planning strategies in promoting balanced development at regional and sub-regional level. The managed use and protection of shared natural space is important to both jurisdictions on the island of Ireland and is also a key attribute in securing funding from European sources.

The proposed geo-tourism initiative is highly appropriate for INTERREG funding given that it is genuinely cross border and focusing on a shared natural landscape that straddles the border. It is also strategic, capitalising on the economic and social development potential of the landscape in a prime location situated between the metropolitan areas of Belfast and Dublin.

The increased demand may reflect the need for an Interpretative Centre which could be complemented by the other smaller tourist centres and facilities that are operating within the sub-region. An alternative perspective is that the smaller centres offer sufficient potential for expansion and have the capacity to serve the needs of the sub-region.

International Practices

Available information on the management of cross-border environmental zones tends to focus on cross-border parks. As highlighted by the World Conservation Union, cross-border parks normally operate using Memorandums of Understanding. While each cross border park may have a unique cooperation arrangement, the management structure will generally fall into two categories:

- Areas that are *operated jointly* by a co-national/local management board; and
- Areas that are *operated in parallel* with government organizations and that collaborate on specific projects or management operations.¹¹

The Parco delle Alpi Marittime and Le Parc National de Mercantour in Italy and France respectively are located along a 35km border and encompasses 96,500 hectares (238,000 acres), 68,500 in France and 28,000 in Italy. Cooperating since 1987, the parks foster sustainable development of a unique cross-border territory and examples of specific collaborative projects include:

- Transnational representation on the administrative boards of each park.
- Cross-border park map

¹¹ For example, the International Peace Garden is funded by grants from the US and Canada, has a single executive director in charge of daily management, and an oversight boards with equal American and Canadian representation. The Waterton-Glacier International Peace Park (Canada and US) and the Parco delle Alpi Marittime and Le Parc National de Mercantour (Italy and France) are parallel management structures with coordination occurring in specifically agreed upon areas.

-
- Cross-border trails and a joint bilingual guide book.
 - Joint scientific studies and wildlife reintegration programs.

In between the US and Canada there are further examples of cross-border parks ranging from a 947 hectares (2,339 acres) International Peace Garden on land provided by the state of North Dakota and Province of Manitoba to the 1.5 million acre Waterton-Glacier International Peace Park. Although they are independently managed by the respective jurisdictions they share certain functions and operations.

There are variations in how land areas within the Geopark and ‘boundaries’ are designated. For example, a German Geopark near Frankfurt has 600,000 residents within its borders. It is possible to have a ‘fuzzy’ outer boundary with well delineated inner boundaries of important sites. This may be the option for the Newry/Dundalk Geopark given that the ‘geological’ sites are scattered and mostly within larger existing conservation zones.

Lastly, there is an emerging precedent from the Island of Ireland regarding the management of a cross-border environmentally sensitive area with the Marble Arch Geopark. The Fermanagh Council in Northern Ireland and County Cavan in the Republic of Ireland have been working together to identify the appropriate management structure as the Geopark expands from Fermanagh across to Cavan.

Key Findings

In reviewing the options, two key findings become evident:

- There is an acknowledged need for better growth management measures and environmental conservation on a cross-border basis; and
- Tourism, when linked to education and sustainable development can make a long-term positive contribution to local economic development.

These two issues are closely linked; one is more focused on regulatory concerns and the other on tourism and economic development. Addressing these two issues on a cross-border basis continues to be a significant challenge. There are differences in environmental management functions, legal designations and practices at both the central and local levels in the Republic of Ireland and Northern Ireland. Given these complexities, the two issues require greater transparency in terms of their projected pathways for the sub-region.

Over the longer term perspective it is imperative that the synergies between the statutory planning processes, environmental management and tourism development reinforce the vision of joined up thinking and actions based on a sustainability agenda.

Regarding Option 1, the National Park, the report by the working party ¹² notes that while there is consensus on the need to manage the natural heritage, any legislation for national park designation lies several years ahead. Furthermore, compatible legislation in the Republic of Ireland does not exist thereby limiting the short-term opportunities for cross-border cooperation.

¹² The report can be found at <http://www.mourneworkingparty.org/>

Option 2- Working within Existing Designations and Option 3-the Geopark complement each other and offer an opportunity to address:

- Short and longer-term environmental growth management and sustainable development for the region on a non-statutory basis; and
- A focus point for organising local, regional and international tourism activities on a cross-border basis.

Taken together both options can proceed in parallel and closely-linked processes. Each addresses diverse concerns and opportunities; draw upon both similar and different types of expertise, funding and stakeholders; and can reinforce each other through a careful understanding of timelines, implementation requirements and institutional coordination.

Local and central authorities can begin working on Option 2 by scoping out the elements of a joined-up environmental growth management policy on a cross-border basis. A first step is to:

- Develop an understanding of how the existing environmental designations and development regulations in the respective jurisdictions relate to each other; and
- Identify opportunities to develop compatibility, especially when these designations join-up on the ground.

The coordination of existing tourism facilities as outlined in Option 2 should be further explored. The possibility of a new interpretative centre can also be assessed in the future. The recent design and landscape studio at the Harvard Graduate School of Design, sponsored by the three local councils in the Newry/Dundalk region, began to address both of these issues outlined in Option 2.

Option 3---the Geopark is a project with long-term environmental and economic benefits for which planning can continue by the joined-up Partnership Management Team.

Its non-statutory nature allows it to proceed based on agreements by local governments on a cross-border basis. The Marble-Arch Geopark and its emerging cross-border cooperation between Fermanagh District Council and Cavan County Council offers a good example of how local authorities, with central government support, can take the lead in progressing a cross-border opportunity that involves both natural and cultural heritage.

The initial work programme proposed in the INTERREG application by the Newry/Dundalk working group will bring focus to a joined-up approach to tourism and natural heritage for the sub-region by improving existing tourism marketing and infrastructure. It will also give the local councils an opportunity to assess the longer-term benefits of a Geopark and further engage the key stakeholders through consultation. As shown in the international examples and the forthcoming cross-border management of the Marble-Arch Geo-Park, planning and management tools can be tailored that allow joined up non-statutory planning and parallel management structures organised around specific issues.

Annex 1: Proposed Listing of Key Stakeholder Groups

<p>Local Authorities</p> <ul style="list-style-type: none"> • Louth County Council • Dundalk Town Council • Newry and Mourne District Council • Banbridge District Council • Down District Council <p>Central Government Departments and Agencies</p> <p>Cross Border</p> <ul style="list-style-type: none"> • Loughs Agency • Toursim Ireland Ltd <p>Ireland</p> <ul style="list-style-type: none"> • Geological Survey of Ireland • Coillte • Dept of CRAGA • Department of Environment, Heritage and Local Government. • Failte Ireland • Heritage Council (DEHLG) • National Monument Service • National Parks and Wildlife Service <p>Northern Ireland</p> <ul style="list-style-type: none"> • Geological Survey of Northern Ireland • Department of Agriculture and Rural Development (Forest Service, Countryside Management, Rural Development) • Environment and Heritage Service (Conservation Science/Earth Science) • Loughs Agency • Northern Ireland Water • Department of Culture, Arts and Leisure <p>Business and Enterprise</p> <ul style="list-style-type: none"> • Local Chambers of Commerce <p>Community</p> <ul style="list-style-type: none"> • Farmers Union (UFU, NIAPA, IFA) • Rural Community Networks (RoSA, ROMAL, TADA) • Local Historical and Cultural Societies • Local Field Study Societies • Mourne Geology and Archaeology Group • Community Groups and Economic Development Initiatives • Guides and Scouts 	<p>Conservation/ Sustainable Development</p> <ul style="list-style-type: none"> • Mourne Heritage Trust • Ring of Gullion AONB Initiative • Carlingford Lough Heritage Trust <p>Education</p> <ul style="list-style-type: none"> • Dundalk Institute of Technology • Queens University Belfast • Southern Regional College • University of Ulster • UCD • Trinity College, Dublin • ICLRD • Primary and Secondary Schools <p>Recreation</p> <ul style="list-style-type: none"> • Countryside Access and Activities Network • Mountaineering Council of Ireland <p>Tourism</p> <ul style="list-style-type: none"> • Armagh Down Regional Tourism Partnership • Carlingford-Cooley Tourism • East Coast and Midlands Tourism Partnership (Failte Ireland) • Louth Tourism Partnership-Louth Hospitality • Northern Ireland Tourist Board • Tourism Ireland Ltd • Accommodation providers <p>Museums</p> <ul style="list-style-type: none"> • Louth County Museum, Dundalk • Newry and Mourne • Burren Centre <p>Outdoor Activity/Cultural Centres</p> <ul style="list-style-type: none"> • Ardnabannon • Carlingford-Omeath • Cnocfeola • Killyleagh • Shannagh More • Ti Chulainn • Tollymore
--	--

Annex 2—Existing Facilities

There are also facilities that can support tourism and local economic development in the sub-region; these include for example:

Republic of Ireland

- *Holy Trinity Heritage Centre, Carlingford*

Carlingford Lough Heritage Trust was formed in 1990 to identify, maintain and restore the medieval core of Carlingford. The Holy Trinity Heritage Centre is the flagship of the Trust with the purpose of providing the visitor with an insight into Carlingford's history and to encourage a deeper exploration of the narrow streets and antiquities of this charming place. Local guides introduce the visitor to King John's Castle, the Mint, Taaffe's Castle, the Tholsel, the Dominican Friary. The Heritage Centre is an ideal location for conferences and seminars with its state of the art projection and audio facilities. This extensive space can be used for any function suitable to the ambience of Holy Trinity Heritage centre, such as meetings, conferences, musical evening and drama productions

- *Omeath District Development Company Ltd.*

Omeath District Development Company Ltd. (a registered charity) is in the process of the developing a Peace and Study Centre (with residential and conference capacity), that will be able to cater for 60 people. It is proposed that the Centre will specialise in the delivery of Peace and Reconciliation programs and courses in addition to facilitating existing groups and organisations engaged in the peace process. As a means of insuring long term sustainability of the project arrangements are at an advanced stage for a subsidiary program to be delivered through the Centre. Local and international universities have express interest in delivering graduate and post graduate geology field studies programmes from the Centre. The project entails the construction of a residential facility (capable of holding up to 60 beds), a range of study/seminar/training rooms and a main lecturing facility. The Omeath District Development Company is committing €100,000 of funds it holds for local community development programs and projects.

- *County Museum, Dundalk*

The County Museum, Dundalk is located in a beautifully restored late 18th Century warehouse in Carroll Centre at Roden Place in Jocelyn Street. Funded by Dundalk Town Council the museum opened in 1994 and offers an extensive programme of permanent exhibitions, temporary displays, drama presentations, music recitals, lecture and film. The permanent exhibitions have won the Gulbenkian Best Smaller Museum Award on two occasions, in 1995 and in 1999.

Northern Ireland

- *Bagenal's Castle - Newry and Mourne Museum, Newry.*

Bagenal's Castle at Newry and Mourne Museum is housed in the recently restored 16th Century fortified town house built by Sir Nicholas Bagenal. Bagenal's Castle also houses the Newry and Mourne Museum and the recently restored Victoria Bakery. Bagenal's Castle recently won the best Urban Regeneration Award at the Greater Newry Business Awards. Other awards recently acquired

include a commendation from the Royal Society of Ulster Architects and a further commendation from the RCIS.

- *Ti Chulainn Cultural Activity Centre*

Ti Chulainn Cultural Activity Centre is set in the heart of the Ring of Gullion, a unique geological formation of hills and rugged mountains encircling Slieve Gullion, which has been, officially designated an Area of Outstanding Natural Beauty. The centre specialises in organising events and activities for guests to enjoy every aspect of the region. The centre boasts 15 bedroom accommodation as well as Conference spaces and business workshops.

- *Slieve Gullion Courtyard*

Slieve Gullion Courtyard is an attractive quadrangle of listed buildings sited on the former Chambrés' Estate, originally built in 1820 as a farmstead. The courtyard stands in the Slieve Gullion Forest Park with magnificent views of the countryside. The idyllic Forest Park setting is further enhanced by its location within the Ring of Gullion, an Area of Outstanding Natural Beauty (AONB). The Courtyard has meeting rooms, café and accommodation.

- *Aras an Chairdinell Heritage Centre*

This centre was established by Cullyhanna Community Enterprises celebrates the life of the late Cardinal Tomas O Fiaich from his days as a student, priest and professor, to his time as Primate of All Ireland. Items include photographs, video, audiovisuals and personal memorabilia. There is also a restaurant in the centre.

- *Burren Heritage Centre*

Burren Heritage Centre, housed in the converted National school built in 1839, is situated in the picturesque Drumlin area above Carlingford Lough at the entrance to the famous Mountains of Mourne.

The superb scaled models of historic sights in the area, as well as showcases displaying artefacts relating to the social history of the area and a local map identifies the location of these sites.

- *The Nautilus Centre*

The Nautilus Centre is home to the harbour store, which sells fresh locally caught fish and seafood as well as fishing tackle and nautical craft. The centre is also home to Kilkeel Tourist Information Centre and Kilkeel Development Association. Opening this year is the Seafood Cookery School and the Big Catch, a family fun visitor attraction that brings to the life the heritage of the local fishing and maritime industry.

- *The Cnocnafeola Activity and Conference Centre*

The centre is located one and half miles from the beautiful silent valley and is located in Attical. The purpose built centre caters for all ages and has 8 bedrooms (all ensuite). The centre also has a restaurant and conference centre which can cater for up to 40 people. Cnocnafeola Centre welcomes, groups, families, outdoor enthusiasts and the lone traveller.

- *Silent Valley Gate Lodge*

The silent valley is situated in the Mourne Mountains. The new state of the art information centre is open all year and provides an informative exhibition. The centre explains the fascinating history of the site. Photographs, models and an interactive computer programme give visitors an insight into the experience of those involved in developing the Silent Valley Admission is free and is open during normal hours.

Annex 3— Existing Groups working with Environment and Tourism

Northern Ireland

Romal

ROMAL performs the role of Rural Support Network for South Down. It has adopted a structure whereby representatives are sought from a geographical spread of towns, villages and other communities through out the Mourne and South Down are. It offers a range of support services to community groups under its programmes through collaboration with a range of agencies

Mourne Heritage Trust

Mourne Heritage Trust was established as a partnership of central and local government agencies, the Northern Ireland Tourist Board, DARD and environmental, community, recreational, landowning and business interests to provide for the management of the Mourne and Slieve Croob Area of Outstanding Natural Beauty (AONB). Key activities include Built & Cultural Heritage, Create Awareness and Protection, Natural Environment Enhancement and Protection, Sustainable Tourism and Visitor Management.

KDA

Kilkeel Development Association is a cross community based organisation which was established with the main aim of addressing the economic and physical decline of Kilkeel, looking specifically at job creation and training, tourism development, environmental improvements and community relations .

RoSA

RoSA is the rural support network for South Armagh and covers both the Armagh City & District and Newry & Mourne District Council parts of South Armagh and the Board works to ensure that the Directors are broadly representative of the wider community with an appropriate religious, geographical and gender balance. ROSA provide community development support to local community groups in rural areas. RoSA also manages a range of projects including Cross border IT, Training and Countryside Initiative.

Republic of Ireland

List to be completed.

Supporting the Implementation of Cross-Border Collaborative Frameworks: Newry- Dundalk Sub-Region

Working Paper 8

Sustainable Communities: A Platform for Development



19 June 2008

Working Paper 8

Sustainable Communities: A Platform for Development

Table of Contents

Introduction.....	1
Dundalk 2020.....	1
Dundalk 2020 Stakeholders	2
A Sustainability Model for the Island of Ireland	3
Newry Sustainability Zone	3
Toward a Sub-Regional Sustainability Strategy	5

Introduction

By their nature, environmental issues transcend national borders. As such, successful efforts to clean up pollution, reduce carbon emissions, and protect natural resources require multi-lateral partnerships and strategies. Striving to reduce greenhouse gas emissions, the European Union has set reduction targets for member states and financed pilot programmes to demonstrate techniques for reducing emissions and to develop new technologies and best practices in real-world situations.

Dundalk has taken a lead role in one such demonstration project. Dundalk 2020 plans to reduce significantly energy consumption through greater building efficiency and the development of new renewable energy sources in a defined area, the Dundalk Sustainable Energy Zone. From this initial zone, the programme aims to spread sustainable practices to the surrounding region and beyond. The aggressive targets set for the Dundalk Sustainable Energy Zone will demonstrate how the Republic of Ireland can meet its national targets, as set out in the Government's White Paper on Energy (March 2007). As an exemplar project, the roll out of Dundalk 2020 has the potential to promote more sustainable practices not only in ROI but also across the border into Northern Ireland in collaboration with Newry within the context of the twin city sub-regional strategy. Developing a joint strategy for Newry-Dundalk is a positive next step in reducing energy consumption and developing an all-island sustainability agenda, providing for greater economies of scale and ensuring that targets are met in the most cost-effective and strategic manner.

Dundalk 2020

Dundalk 2020 is part of a pan-European Project, funded under a framework 6 programme CONCERTO II, which has selected three European towns of approximately 30,000 to develop pilot sustainable energy zones. The towns, Dundalk (Ireland), Mödling (Austria), and Neuchâtel (Switzerland), have defined sustainability zones within their borders to undertake concentrated demonstration activities that can serve as models for providing sustainable energy lessons and best practices to the broader community, region, nation, and continent.

Dundalk 2020, to be implemented over a five year period in a four-square kilometre Sustainable Energy Zone, will demonstrate multiple renewable technologies as well as strategies for managing energy supply and demand. Increasing energy efficiency and the proportion of electricity and heat from renewable sources is predicted to reduce the carbon dioxide emissions from the pilot zone by 10,000 tonnes every year from 2010. By 2010 the Dundalk Sustainable Energy Zone will work towards achieving the following targets:

- Energy efficiency in selected residential, industrial and commercial buildings in the zone, will improve by up to 40%.
- At least 20% of all energy used to heat homes and businesses within the zone will be generated by renewables.
- At least 20% of all electricity used by businesses within the zone will be generated by renewable sources.

The Dundalk 2020 project prioritizes the implementation of energy efficiency measures over the creation of renewable heat and electricity technologies. The energy-efficient refurbishment of existing buildings takes precedence over the installation of renewable technologies. O'Fiach College, a second level educational institution in the zone, received an insulation refurbishment that improved energy efficiency by 60%. HSE Louth County Hospital buildings are undergoing similar refurbishments. Dundalk 2020 is also working with Dundalk Town Council to provide insulation

improvements and efficient heating systems for low income households with the intention of achieving the same standards required of new houses in the zone.

Core funding from CONCERTO II is being primarily used to provide for new renewable energy systems. The installation of a biomass (wood chip) fired plant will supply heat for residential, industrial and commercial users. A 1.8 MW wind turbine will supply electricity to an industrial site. Trials of advanced domestic electricity meters have commenced; these meters will help householders understand and control their electricity consumption. Now in trial phase, a scheme for renewable energy street lighting will be implemented with the development of the zone’s industrial park. An energy bureau has been established to collect and analyze information on energy consumption and efficiency for the sustainable energy zone.

As part of its wider remit, Dundalk 2020 is working in collaboration with local industry, business and local authorities to encourage energy conservation and best practices in demand management. Work packages including employee training programmes have resulted in the businesses achieving collective energy savings of more than €500,000 per annum.

Dundalk 2020 Stakeholders

The development of a sustainable energy efficient community requires the active participation of a wide range of stakeholders, including central and local government, private agencies, businesses and local communities. The Dundalk 2020 project is working with stakeholders in the Dundalk Community to develop the framework and principles of a sustainable energy community. The degree of commitment at all levels of government and the interaction with private agencies and local stakeholders to incorporate best practice energy efficient solutions have been strengths of the Dundalk 2020 project.

The Dundalk 2020 project involves direct partners who have signed the HOLISTIC¹ Consortium Agreement, direct stakeholders who have signed the Dundalk 2020 Charter, and members of the action groups. To date, twenty-nine local and national stakeholders in the public and private sectors, including Louth County Council, Dundalk Town Council, Newry and Mourne District Council, have signalled their intent to support the project by signing the Charter. Under the Charter all stakeholders have committed to working within action groups to ensure the successful implementation of the energy efficiency targets set for Dundalk 2020.

Membership of the Dundalk 2020 Steering Group and Action Groups includes members from the public, private, and academic sectors: the ESB, IDA, Enterprise Ireland, Teagasc and the Departments of Education, Environment, Communications, Energy and Natural Resources as well as Dundalk Town Council, Louth County Council and Dundalk Institute of Technology.

Figure 1: Key Stakeholders involved in Dundalk 2020

<i>Public Sector</i>	<i>Private Sector</i>
Department of Communication, Energy & Natural Resources	Crowne Plaza Hotel, Dundalk
Department of Environment, Heritage and Local Government	Finnabair Industrial Estate
Department of Education and Science	Heinz Frozen Foods
Dundalk Town Council	HSE – Louth County Hospital
	Ice Dome
	Oriel Wind Farm Ltd

¹ Holistic Optimisation Leading to Integration of Sustainable Technologies in Communities

Dundalk Chamber of Commerce Enterprise Ireland ESB Networks ESB Customer Supply Industrial Development Agency, Ireland Louth County Council Newry and Mourne District Council Teagasc	Property Developers <ul style="list-style-type: none"> • Adston Ltd • Bennett Construction Xerox Corporation <i>Academic Sector</i> Dundalk Institute of Technology (DkIT) Centre for Renewable Energy (DkIT) O’Fiach College
--	---

“The innovation is in the integration” Declan Mealey, Chief Executive, Dundalk 2020

A Sustainability Model for the Island of Ireland

Dundalk 2020, Ireland’s first sustainable energy zone, places Dundalk at the forefront of efforts to improve sustainable energy practice on the island. Starting within the designated zone, sustainability practices can spread to the urban area of Dundalk, to the Newry-Dundalk sub-region, and ultimately across the entire island of Ireland. Coordinated by Sustainable Energy Ireland (SEI), Dundalk 2020 presents a vision for stimulating a national move toward sustainable energy practices through an exemplar community. Dundalk 2020 provides the showcase of the innovative technologies, policies and practices needed to develop sustainable energy communities in Ireland and elsewhere.

SEI has a front line role in implementing the Programme for Government and Energy Policy Framework in securing a low carbon future for Ireland and is also in the process of establishing a national sustainable community programme to catalyze a shift toward more sustainable energy use within local communities. Dundalk 2020 is intended to demonstrate that the holistic approach to built environment energy consumption can achieve significant improvements through increased building efficiency and greater supply of renewable energy. The Dundalk Sustainable Energy Zone will serve as a model for the SEI programmes by showing the capacity to develop a sustainable community, providing the platform for development by other stakeholders, facilitating interaction with other agency initiatives, and transferring these lessons and best practices to other communities.

Newry Sustainability Zone

Each of the three CONCERTO II projects has a cross-border observer community: Aachen, Germany for Mödling; the Italian Ministry of the Environment for Neuchâtel; and Newry and Mourne District Council for Dundalk. As a pilot, Dundalk 2020 can provide the kind of strategic leadership that will inspire good governance in other localities. More specifically, this project holds immense potential to be extended in full to Newry within the context of the twin-city concept and the sustainability agenda for the sub-region. In this regard, the Dundalk 2020 project is well established with Newry as an observer community applying the lessons to their own plans for sustainable development projects.

Newry has access to the work packages prepared by Dundalk 2020 and a number of these are already being implemented. In particular, Newry is actively participating on the work package for modelling energy systems for the proposed development of the Albert Basin site. The emphasis to date has been on the implementation of the softer work programmes rather than those programmes involving capital investment in new buildings or refurbishment.

A strategic sustainability project would fit well with the Newry Vision of creating a sustainable, independent, wealth-generating community, driven by innovation, enterprise, skills and infrastructure. In order to move collaboration along, a lead organization, such as the Greater Newry Vision Partnership or Greater Newry Coalition, assume leadership of the sustainability agenda in Newry and generate the support of central and local government, local business, academic institutions, and community and public sector leaders. A Greater Vision for the Greater Newry Area will aim to reduce the environmental impact by utilizing sustainable energy, harnessing natural resources to maximize production of sustainable energy commensurate with good environmental practice, improving energy efficiency and minimizing waste. Figure 2 provides a suggested list of key stakeholders to be involved in the development and management of the Newry sustainability zone.

Figure 2: Key Stakeholders in Proposed Newry Sustainable Energy Zone

<p>Public Sector</p> <p>Newry & Mourne District Council Newry & Mourne Local Strategic Partnership Newry Chamber of Commerce & Trade Newry & Mourne Co-operative & Enterprise Agency Department of the Environment Department of Enterprise, Trade & Industry Department for Regional Development Department for Social Development InterTradeIreland North South Ministerial Council InvestNI Northern Ireland Housing Executive East Border Region Sustainable Development Commission</p>	<p>Private/Voluntary Sector</p> <p>Business Stakeholders Developers Confederation of British Industry</p> <p>Action Renewables Carbon Trust NI Energy Agency New Energies Technology UK</p> <p>Energy Regulators</p> <p>Academic Sector</p> <p>Southern Region HFE College University of Ulster Queens University</p>
---	--

The links between Dundalk 2020 and Newry have grown substantially through the observer status arrangements. To move implementation of a Newry sustainability zone forward, an incremental four-stage process over a short to medium term is suggested.

- Stage 1:** the current 2008 position of the Dundalk 2020 Steering Group with representation from Newry. Now the impetus must be for Newry to develop a Newry Sustainable Energy Steering Group to effectively manage sustainable development as a core aim for the city. Moving the Newry piece forward requires the momentum of a number of key stakeholders coming together to create this Steering Group. Newry will retain its roll as an Observer Community to the Dundalk 2020 project and will continue to sit on the Dundalk 2020 Steering Committee.
- Stage 2:** A newly formed Newry Sustainable Energy Steering Group, led by Newry Vision/Newry and Mourne District Council, identifies the specific zone to be developed and agrees to sustainable energy targets. Possible zones include the Albert Basin, the new train station, or new leisure centre.

-
- **Stage 3:** The commitment and buy-in of Central Government and the appropriate agencies advances the public-private-academic partnership approach used in Dundalk 2020.
 - **Stage 4:** The process creates action groups to manage the specific work packages and to develop an implementation timeline and management plan (possibly to 2012).

Within the suggested stages, the following actions are proposed to further extend the capacity of a sustainability delivery vehicle:

- Promoting a vision based on sustainable living as the foundation of a thriving, vibrant and healthy community.
- Clarifying governance structures modelled on the Greater Newry Partnership or Greater Newry Coalition to work in collaboration with Dundalk 2020 on a flagship project.
- Securing transparency on membership to show an inclusive representation of key stakeholders and decision makers and to nominate a project sponsor(s) at central government level to secure the necessary commitment on a policy and funding platform.
- Identifying Sustainable Energy Zones with the capacity to deliver sustainable businesses linked to economic development.
- Applying the established project management structures of Dundalk 2020 for the development of work packages with appropriate resources linked to a project plan, timeline, and deliverable targets.
- Empowering action groups to guide, assist and steer the implementation strategy on renewable heat/electricity and energy efficiency.
- Applying the established practices of Dundalk 2020 on energy technologies and techniques in an intelligent and innovative way to the specific capital and demonstration programmes appropriate to Newry.
- Creating a dynamic and progressive project linked to research and development and new sustainable technologies aimed at inspiring sustainable energy communities and consumers.
- Allowing for capacity building through the strong knowledge management processes and the upskilling of primary stakeholders involved in the development of a sustainable energy community.

Toward a Sub-Regional Sustainability Strategy

Located at the centre of the Dublin-Belfast Corridor and including two Areas of Outstanding Natural Beauty, a major water resource, and a prominent cultural and geological heritage, the twin cities have a mutual interest in promoting sustainable development. Complementary sustainability programmes linked to specific capital and demonstration programmes could lead early collaboration. As a Newry Sustainability Zone gets developed, greater opportunities for collaboration will emerge. Although initially Newry will follow the lead of Dundalk 2020 to implement its own strategy, soon strategies and best practice will move in both directions. The relationship between the sustainable communities in Newry and Dundalk could take one of several forms: two close but unconnected sustainability zones; two zones with a relationship based on Dundalk 2020's early progress; two equally weighted sustainability zones with a direct relationship; two zones with an interconnected sustainability region; and, finally, two integrated zones based on a collective vision for the sub-region.

Linking the Newry zone to the town and region will reinforce a two-way relationship in delivering innovative sustainable energy practices within the shared region. Eventually, a combined Newry-Dundalk Sustainable Energy Steering Group will allow for the roll-out of a joint sustainable energy

communities programme in both jurisdictions. The greater scale of the sub-region will allow for the development of larger, more cost-effective renewable energy sources and perhaps reduced renovation costs through joint procurement of materials and labour. A joint wind-power turbine farm may be an attractive opportunity and merits further investigation.

It is the view of Dundalk 2020 that developing two strong sustainability centres in Dundalk and Newry could ultimately evolve into a Sustainable Energy Institute offering programmes based on modular units looking at energy efficiency and renewable technologies. The institute could provide courses for local authorities, agencies and private sector on sustainable energy practices, accelerating the sustainability development process and helping transfer the practical experience into taught programmes. Dundalk Institute of Technology offers sustainability-related courses and degrees through its Centre for Renewable Energy, which was founded in 2002. The centre would play a key role in developing the Sustainable Energy Institute. Working paper 5 outlines the degrees and courses offered by the centre.

Prior to developing the sub-regional strategy, however, sustainable energy proposals for Newry should build upon the experiences established in Dundalk and in turn inter-link with other existing or proposed cross-border projects as well as initiatives made available by the Northern Ireland Executive. Sustainability is a cross-cutting theme, embedded within the other strategic projects presented in these working papers. The integration of a sustainability agenda, based on community engagement and collaboration with stakeholders, will add value to the other proposals. The CONCERTO ideal posits that a good sustainable energy community use its energy like an orchestra playing together in harmony with the conductor. Dundalk 2020 is trying to replicate this ideal, Newry is beginning to join in the process, and together they can serve as model for regional cross-border sustainability.

Supporting the Implementation of Cross-Border Collaborative Frameworks: Newry- Dundalk Sub-Region

Working Paper 9

International Services Zone



19 June 2008

Working Paper 9
International Services Zone

Table of Contents

Background and Context..... 1
Opportunities, Strength and Weaknesses 1
Newry-Dundalk International Services Zone (NDISZ)4
 Potential Impact 6
 Delivery Vehicle..... 6
Key Findings 8
Sources: 9

Background and Context

After decades of disproportionate economic decline, intensified by a border location and the troubles, the Newry-Dundalk region is experiencing economic growth and rising employment. In comparative national and regional terms the levels of unemployment or underemployment rates in the Newry Dundalk sub-region remain higher. In 2006, nearly 13.9% of the labour force in Dundalk was unemployed, compared to 4.1 per cent for the nation as a whole. There are no comparable up-to date figures for Newry¹. The unemployment rate in Newry is higher than most of the surrounding council areas but is lower than the North West. Relative to Dundalk there is a greater level of underemployment. Employment in both Newry and Dundalk is concentrated in the manufacturing and agricultural sectors which are declining nationally. There is limited activity in the ‘basic’ (extra-local) services sector, although Dundalk has recently attracted a substantial number of international/financial services companies (see below).

In the context of the socio-economic profile of the sub-region, the local business community and local stakeholders recognise the need for action to support the development of the basic services sector. The need to grow the higher value end of the sector has been recognised in the findings and recommendations made in several commissioned reports. For example, Eoin O’Driscoll, in an advisory document published in 2005 argues that Dundalk should be positioning itself as a location for administration, sales, marketing and other headquarter activities, including administration, banking and call centres. Furthermore one the recommendations contained in a recent report produced by SMM Consulting (2007) indicates the need for action to position Newry-Dundalk as a base for financial services. In 2007, the ICLRD started the research programme “supporting the implementation of cross-border collaborative frameworks: Newry-Dundalk sub-region”. They aim is to assess the potential to deliver a spatially integrated approach to the management of key strategic projects in the cross-border context of Newry Dundalk and to develop delivery mechanisms for these projects. One of the projects was entitled: “developing the Newry-Dundalk region as a centre for high value added international/financial services”. The name for the project was later changed into the “Newry-Dundalk cross-border international services zone”

Opportunities, Strength and Weaknesses

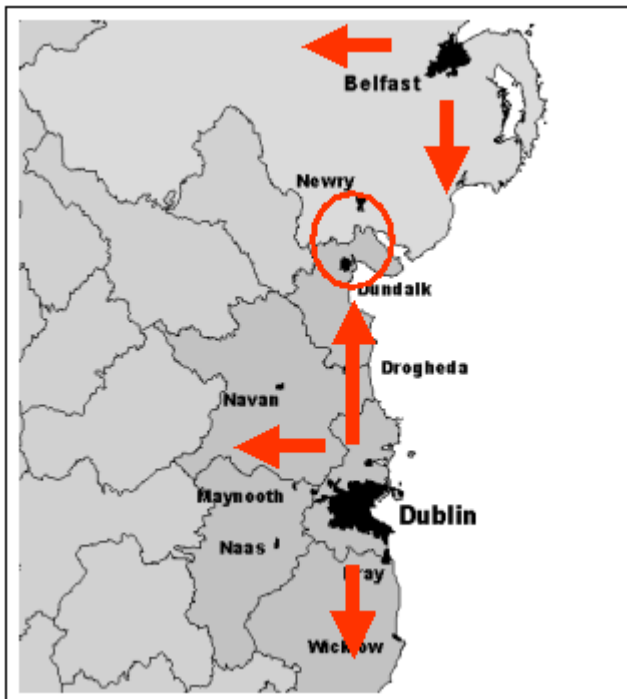
The research confirms that this project has great potential, given the opportunities and the specific strength of the sub-region. Regarding the opportunities, there is an evidence base emerging from the structured interviews and secondary literature which suggest that the Newry Dundalk sub-region has considerable strength to benefit from the globally emerging spatial trends based on polycentric urban development.² This development is partly driven by advanced producer services firms that are decentralising activities away from the core metropolitan areas to smaller towns located within

¹ There are figures for number of claimants as a percentage of people of working age. Using this definition, in 2006 three percent of the population of Newry was unemployed. However, this figure cannot be compared to the figure for Dundalk. The internationally recognised definition, would lead to a higher figure.

² Polycentricity can be defined in various ways and different definitions are used at different scales of analysis (Van Egeraat *et al.* 2006b). It is sometimes conceived of as a set of connected cities of approximately equal size where one of the main advantages for businesses lies in the economies of scale associated with serving the combined market from one location while avoiding the diseconomies associated with monocentric urban patterns (Bailey and Turok, 2001; Hague and Kirk, 2003).

their spheres of influence (see Figure 1). Although initial studies found limited evidence of such a development in the Greater Dublin Region (Van Egeraat et al., 2006a), the recent investments by firms involved in internationally traded services in Dundalk, and indeed in other towns, suggest that we are now experiencing the start of a similar trend in the Greater Dublin Region (see table 1). This key finding is also endorsed in the interview evidence with the senior personnel in companies undertaken as part of this research.

Figure 1: Polycentric Development and decentralisation of Advanced Producer Services



Source: adapted from Van Egeraat *et al.* (2006a)

The earlier mentioned research on polycentric urban development and the interviews with companies conducted for the Newry-Dundalk study shows that decentralization involves specific activities. It typically involves activities characterized by little need for face-to-face contact with customers. Some activities require regular face-to-face contact with sister/head offices in Dublin or Belfast. There is generally a great amount of international travel which requires access to international airports. Finally, most activities require a well-developed ICT infrastructure.

Table 1. International/Financial Services Companies Newry-Dundalk

<i>Name</i>	<i>Activity</i>	<i>Mode of entry</i>	<i>Approx. staff^d</i>
Dundalk			
Vesta	Contact centre	First entry	50 (200)
Irish Life	Contact centre	Expansion/decentr. Dublin	120 (600)
Halifax BoS	Contact centre	Expansion/decentr. Dublin	175 (300)
Daiwa Securities	Financial services	Expansion/decentr. Dublin	40 (300)
Pens	Captive contact centre	Diversification from manufacturing	170
Boyle Sports	Head office	Indigenous	160
Vodafone	Contact Centre	Legacy Eircell	350
Newry			
Teleperformance	Contact Centre	Expansion/decentr. Bangor	100 (600)
IDS	Contact centre		50

Source: interviews with companies and promotion agencies

Note: ¹. Targets in brackets where relevant.

There is a clear consensus among the interviewees that the Newry-Dundalk region is in an ideal position to benefit from this trend. Its strengths include:

- Location at the centre of the Dublin-Belfast “Economic Corridor”
- Potential connectivity to a large (combined) labour pool within a less congested operating environment.
- Less overheated labour market (relative to Dublin). For example, company interviews show that none of the recently established internationally traded services companies experienced difficulty in recruiting staff.
- Potential access to a highly skilled labour force within the Dublin/Belfast commuter belt (see commuter survey, Dundalk Chambers, 2007).
- Potential high quality of life for highly skilled staff.
- Presence of two third-level education and research institutes. Graduate output from programmes that could support the skills base required for International Services from Dundalk Institute of Technology is substantial with upwards of 600 emerging annually from programmes such as the Bachelor of Business Studies (Hons), BA (Hons) Accounting and Finance, MBS, MBA and MSc in Software Entrepreneurship.
- Proximity of 80km to Dublin and 50km to Belfast which is within the travel time band permitting face-to-face contact/meetings with head offices and sister offices.
- Proximity to two international airports at Dublin and Belfast.
- A well-developed ICT-infrastructure.
- Availability (in Dundalk) of a reasonable supply of space at more competitive rates for company expansion.
- Proven location even for high value added financial services.
- Gateway designation with eligibility to related funds.

Although Newry Dundalk possess a number of positive locational and operational advantages there are also perceived limitations which need to be addressed. The main issues include:

- The potential for critical mass and synergies in the Newry-Dundalk region is not fully realised. The pool of skilled labour and graduates on both sides of the border is not fully integrated. There is limited co-ordination between the education and research institutions and there are few linkages between companies on both sides of the border. In short, the region is not yet functioning as a real operating axis.
- Although, the region has a local pool of highly skilled services staff, most of which are presently commuting to the Belfast and Dublin conurbations, and graduate output from programmes that could support the skills base required for International Services is already substantial, there is need to further up-skill the local labour force in the specific areas required by high value added services companies. In spite of existing studies, there is insufficient information about the present pool of relevant skilled labour in the region.
- There is shortage of suitable high-spec property solutions in the Newry area.
- There is a need to regenerate the city centres to support a quality of life that is attractive to highly-skilled staff.

Newry-Dundalk International Services Zone (NDISZ)

The NDISZ will address these limitations. The aim of the NDISZ is to develop the Newry Dundalk region as a centre for high value international services. It seeks to create a cross-border business zone with the critical mass to harness the synergetic effects of linking populations, graduate pools, the education and research institutions and the property solutions of Newry and Dundalk. The zone will target a large range of high value added internationally traded service activities including elements of financial services and (non-customer facing) head office or business critical functions. In the context of the relatively limited size of the regional labour market and the pool of skilled labour, suitable targets include relatively small operations, employing as little as 20 people, but providing high-wage jobs. The zone should attract indigenous and foreign investment. The key elements underpinning the zone are summarised below.

- Further development of the local skills base

This involves encouraging and supporting the local third-level colleges to develop courses and research projects that are relevant to the targeted sectors, including entrepreneurial skills courses and related continuing professional development programmes. This provision will need to derive benefit from enhanced linkages and greater co-ordination between Dundalk Institute of Technology (DkIT), the Southern Regional College in Newry, and the promotion agencies in the respective jurisdictions. The local skills base will also be developed by targeting the 'hidden skills base' absorbed in the commuting which occurs from the Newry-Dundalk sub region to other employment centres principally in Dublin and Belfast.

Both Institutions are committed to supporting the development of the International Services Zone. However, there is a need to establish a management group at senior level to ensure that activities and future developments are co-ordinated in support of the project. A number of possible projects which could be taken forward by this group include: the development of articulation agreements for progression from one jurisdiction to the other in line with the Bologna Declaration 1999², development of joint strategies to embed enterprise and entrepreneurship within the core curriculum, collaborative partnerships with local employers to ensure that qualifications and

training is fit for purpose and the use of e learning to support more flexible modes of curricular delivery.

DKIT and Southern Regional College have already collaborated successfully on joint programme provision through the highly innovative Digital Diversity project and the model of collaboration used on that project could be extended to an initiative on International Services. Similarly the Regional Development Centre (DKIT) and the Greenshoots Centre (SRC) have collaborated in the past in supporting enterprises in the Newry-Dundalk zone and these supports, including incubation space and mentoring, could be provided to enterprises in the International Services sector.

- Facilitate the provision of high-spec. property solutions

The proposed NDISZ has the potential to offer and/or promote a range of high-spec property solutions which match current best practice in office development. The property which can be located in separate locations in Newry and Dundalk respectively will be marketed as part of a single zone. The property solutions can incorporate the existing solutions promoted by the agencies and private sector developers, plus new proposals specifically developed as part of the NDISZ project. In Newry the NDISZ will leverage and guide private sector initiatives to provide high spec. property solutions. In this regard an office component within the proposed Albert Basin development could potentially be included as one of the key signature projects to signify the status of the zone.

- Joint promotion by the agencies

It is suggested that the NDISZ will be jointly promoted by the responsible agencies including Invest NI, IDA Ireland and Enterprise Ireland. This includes a commitment by the respective agencies to promote the zone in their international promotion seminars as an integrated zone. The promotion programme will require the development of a suite of promotional products that identifies the unique selling points of the cross border zone as well as the development of a regional identity. The levels of incentives in each location should be flexible to allow each promotion agency to maximise its total package (tax, finance, property solutions, etc).

The attraction of the zone would be greatly increased by zone specific fiscal or financial incentives that will accelerate investment in the proposed zone.³ In this regard a number of tailored instruments can be considered, including:

³ The development of a genuine cross-border international services zone is impeded by the fact that the two towns are located in different countries with different regulatory and taxation regimes. A recent initiative by the two governments addressed a perceived regulatory impediment, the minimum activities rule (*Irish Times*, 15 April 2008). This rule means that in order to be regulated by the Irish regulatory authorities, these authorities require that certain minimum activities are carried out in Ireland. Financial services companies registered in the Republic that wanted to set up support branch operations in Northern Ireland felt that they were possibly impeded in doing so by this rule. The April 2008 statement clarified the position of the Southern Government by saying that subject to case-by-case discussions with the regulator, companies in the South can establish support operations in the North. The minimum activities rule was not changed. From a regulation point of view, companies in the Republic have always been allowed to outsource certain activities to other jurisdictions and some have done so. The initiative has in principle no tax implications and the Republic continues to offer more favourable corporation tax rates.

-
- a) Investment tax write-offs accelerated from the current 7-year amortization to 100% in the first year.
 - b) Corporation tax leveled to 12.5% for investments in the cross border zone.

Such incentives are unlikely to be realized in the short or even medium term. The project can go ahead without such incentives being in place and the zone management and stakeholder committees will be in a good position to drive a strong lobby.

- Complementary activities

Developing the region as a centre for high value international services will depend on a wide range complementary projects including the regeneration of the two town centres, the development of an environment conducive to a high quality of life and projects that develop Newry-Dundalk as a real operating axis including the development of the infrastructure to create an integrated commuting area (train and bus services) and co-operative links between employment agencies. In this regards the NDISZ will play an important lobbying role.

To an extent, the core elements of the NDISZ will be advanced concurrently. Yet, the different elements and sub-projects will take different times to develop.

Potential Impact

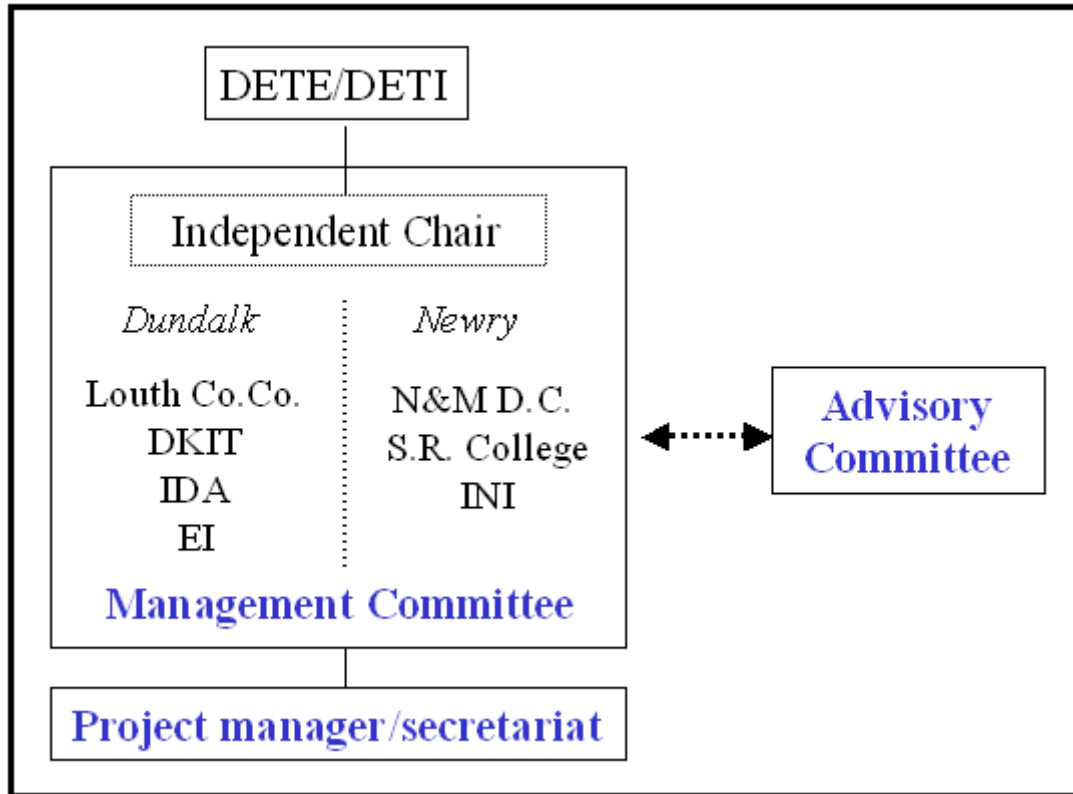
At this stage in the development of the NDISZ, with the precise content still under discussion, it is difficult to provide figures regarding the envisaged impact. What is clear is that the impact needs to be measured over the medium to long term. The NDIZ aims to contribute to an upgrading / diversification of the industrial structure and the related enhancement of the skills-base in the Newry-Dundalk region. These are clearly medium-to-long-term goals. The success of the project will be defined in terms of the output of skilled graduates and jobs created. The quality of the jobs will be a more important metric than the actual numbers of jobs created.

Delivery Vehicle

Cross border co-operation in the area of industrial development is a controversial topic and any delivery vehicle will need to take account of the political sensitivities. The first bilateral effort and the current best practice model in terms of cross-border co-operation in the area of industrial development is the Virtual Cross Border Technology Zone in the Londonderry-Letterkenny region. The proposed delivery vehicle for the Newry Dundalk sub-region is structured on this model but extend the concept of cross-border co-operation in new ways. In doing so it takes the current level of cross-border co-operation to its limits.

We propose a relatively uncomplicated structure for the delivery vehicle, without a management company. It includes a full-time secretariat/project manager; a management committee and an advisory committee. A full-time secretariat or dedicated project manager is considered crucial for a project of this size and serves to convey a sense of commitment and “cross-border reality”. The managerial function is to provide the momentum in driving the project forward on a day-to-day basis. The project manager could be funded on a 50/50 basis by the two prominent agencies, Invest NI and IDA Ireland.

Figure 1-- Structure NDISZ



The project manager would be directed by a management committee which would meet on a bi-monthly basis. The proposed management structure would be made up of the two directors of the educational institutions, the two directors of regions and managers of the regional offices of IDA Ireland and Invest Northern Ireland, an executive of Enterprise Ireland and an independent chairperson. The management committee meetings would be chaired by an independent chairperson with a reporting line to the two ministers (DETI/DETE). This will connect it to the political process which is considered crucial for the success of the project.

Finally, the advisory committee would consist of a representative nomination of key stakeholders. The function of the advisory committee meetings would be to inform the management committee on issues relevant to the development of the region as a centre for international services; and to facilitate co-ordination and co-operation between the actions of the NDISZ and relevant institutions. It is suggested that the range of stakeholders serving on the advisory committee would include:

Table 2 Advisory Committee of Stakeholders NDISZ

FAS
Newry & Mourne District Council
Newry & Mourne Local Strategic Partnership
Newry Chamber of Commerce & Trade
Newry & Mourne Co-operative & Enterprise Agency
Greater Newry Coalition
Dundalk Town Council
Louth County Council

Dundalk Economic Development Group
Dundalk Chamber of Commerce
Department of Education and Learning
Department of Education and Science
Department for Regional Development
Department of the Environment, Heritage and Local Government
North-South Ministerial Council
InterTradeIreland
East Border Region
Business Stakeholders
Property Developers
Recruitment Agencies
Transport groups

In terms of funding it is considered that Interreg would be the most suitable source. Core funding could be used to finance the full-time secretariat, the skills development programmes, the direct Invest NI/IDA Ireland promotion costs as well as other sub-programmes.

As referred to earlier, the proposed delivery vehicle stretches the current level of cross-border co-operation to its limits. The ideal vehicle would include a full-time secretariat directed by a proper management board with representatives of a number of key stakeholders including IDA, Invest NI, Enterprise Ireland, the Southern Regional College, Dundalk Institute of Technology and the local authorities. Although technically not overly challenging such a structure would require a major political decision. If such a decision is taken, the structure should be changed and take more of the characteristics of this ideal vehicle.

In moving the implementation vehicle forward there will inevitably be an incremental process over a short to medium term timeline. In February 2008, a group of “champions” was established to act as the initial catalyst. This group includes representatives of the IDA and Invest NI, and two representatives of Dundalk Co. Co. / Dundalk Economic Development Group and Newry and Mourne District Council / the Greater Newry Coalition. This group will be instrumental in developing the wider advisory group and management committee. Experience at the VCBTZ learns that it is important to have the advisory committee in place at an early stage because the success of the project strongly depends on the buy-in and support of these groups, notably at ministerial level. Once this stakeholder group is in place, and the necessary buy-in is guaranteed, the champions could progress with developing a management committee and by employing a consultant to develop a proposal for Interreg funding. A successful bid would be followed by the appointment of a project manager.

Key Findings

The local business community and local stakeholders have recognised the need to develop development the services sector, notably the higher value international services activities. There is a clear consensus among the interviewees that the Newry-Dundalk region is in an ideal position to benefit from an international trend of decentralisation of advanced services activities away from the core metropolitan areas towards urban centres in their spheres of influence.

Although the sub-region possesses a number of positive locational and operational advantages there are also perceived limitations which need to be addressed. To address these issues this paper proposes and provides a structure for a Newry-Dundalk International Services Zone, a cross-border business zone with the critical mass to harness the synergetic effects of linking populations, graduate pools, the education and research institutions and the property solutions of Newry and Dundalk. Key elements underpinning the zone include: the development of the local skills base, the provision of high-spec. property solutions and joint promotion by the responsible agencies.

Sources:

Bailey, N. and Turok, I. (2001) Central Scotland as a Polycentric Urban Region: Useful Planning Concept or Chimera, *Urban Studies*, Vol. 38, Issue 4, pp. 697-715

Egeraat, C. van, et al. (2006a) Greater Dublin in the Celtic Tiger Economy: Towards a Polycentric Mega-City Region? In: Hall, P. and Pain, K. (Eds.) *The Polycentric Metropolis: Learning from Mega-City-Regions in Europe*. London: Earthscan / James & James.

Egeraat, C. van and Sokol, M. (2006b) Service Firm Connections in the Dublin-Belfast Corridor. In J. Yarwood, (Ed.), *Ireland's Megacity Region: The Dublin-Belfast Corridor*. Aldershot: Ashgate Publishing, pp. 141-163.

Hague, C. and Kirk, K. (2003) *Polycentricity Scoping Study*. London: Office of the Deputy Prime Minister

Supporting the Implementation of Cross-Border Collaborative Frameworks: Newry- Dundalk Sub-Region

Working Paper 10

Urban Regeneration



19 June 2008

Working Paper 10
Urban Regeneration

Table of Contents

Urban Regeneration Context..... 1
Regeneration Projects in Newry and Dundalk..... 1
Newry-Dundalk Collaborative Regeneration4
Getting Started 8
Annex 1—JESSICA--An example of a cross-border funding initiative..... 10

Urban Regeneration Context

Urban regeneration as a concept encapsulates the perception of decline in inner city economies as well as incorporating the process of renewal to establish a basis for economic growth and social well being. In this context, regeneration has been defined as the process of reversing economic, social and physical decay in our towns and cities where it has reached that stage when market forces alone will not suffice¹. Integral to this process is the role performed by the private sector in stimulating property development and investment, with the public sector operating in either a partnership or facilitating capacity. Improvement of the physical, social and economic fabric of our towns and cities is a core policy objective for government and local authorities in the jurisdictions of Ireland and Northern Ireland.

Urban regeneration at the UK level has attracted extensive analysis with research focusing upon policy issues, outcomes and performance indicators². In this respect regeneration initiatives facilitate the working of inner city markets by raising land values as an essential part of the urban renewal process. However, empirical evidence suggests that, in addition to economic performance, geographic location has an equally strong determining influence on investment flows.

Evidence suggests that the attractiveness of urban centres has a determining influence on the competitiveness of regional economies (Forfas, 2005). It is considered that competitive advantage is facilitated where certain conditions are present, namely cost competitiveness, infrastructural requirements, innovation and entrepreneurship and management capability. In developing the unique selling points of an urban area it is critical that central and local government work together at a strategic and operational level to coordinate the implementation of the regeneration process. =

Regeneration Projects in Newry and Dundalk

The urban areas of Newry and Dundalk located at the centre of the Belfast-Dublin corridor have an opportunity to capitalize on the key conditions for economic growth, inward investment, proximity to markets and property solutions. The historical difficulties that have constrained the development of both Newry and Dundalk are gradually being turned into economic advantage whereby the synergies and mutual benefits of collaboration are being targeted towards an integrated spatial strategy for the rejuvenation of the sub-region. However accelerated development in the Newry-Dundalk sub-region will necessitate further investment in key local infrastructure supported by an innovative regeneration strategy and quality of life agenda at the urban levels.

Town centre regeneration strategies for both Newry and Dundalk clearly need to promote the sub-regional offering as a place where people want to visit, settle and work. The uniqueness of the sub-regional offer lies in its capacity to foster inclusive communities and a skilled and adaptable workforce able to contribute and share the benefits of sustainable economic growth.

Linking the regeneration strategies in key areas of cooperation ties in with and reinforces the

¹ Adair et al (2003) Benchmarking Urban Regeneration, ODPM & RICS, London

² Adair, et al (2005), Investment Performance within Urban Regeneration Locations, *Journal of Property Investment & Finance*, 23 (1), 7-21.

strategic guidance (National Spatial Strategy; Regional Development Strategy, 2025) and operational planning policies (Dundalk and Environs Development Plan 2003-2009; and the Banbridge, Newry and Mourne Area Plan, 2015) to capitalize on the locational advantage of the sub-region. A proactive approach to regeneration in both Newry and Dundalk also reinforces sustainable development objectives through the concentration of growth in key urban centres. It can also create a vibrant setting to develop new housing and maintain and attract new companies. For examples of new investments see Table 1, International/Financial Services Companies Newry-Dundalk in Working Paper 9. Another example is Norbrook Laboratories which is creating 290 highly skilled research jobs as part of a £86m investment.

Current Initiatives

Within the urban areas of Dundalk and Newry respectively a number of regeneration schemes are either proposed or under way. Specifically in the case of *Dundalk* the key regeneration schemes include the following:

- **A development strategy and urban design framework for Dundalk Town Centre** which will identify redevelopment opportunity sites; plan for the expansion of the town centre and surrounding environs; provide an urban design strategy and guidelines for the different parts of town centre including the development of mixed use lands along the interface with residential areas.
- **A proposed redevelopment of the Castletown River and Portlands downstream of the Tain Bridge** to realize the underdeveloped riverside potential on the north side of the town by creating a focus for development of cultural, leisure and environmental amenities. The redevelopment of the portlands is dependent on a weir being positioned at Tain Bridge and the overall vision will be progressed through a number of redevelopment projects to reflect the appropriate lead authority and financial mechanism.
- **A regeneration strategy for two 1960's social housing estates (Cox's Demesne and Muirhevna Mor) incorporating a total of 1300 dwelling units** to create a vibrant sustainable community with enhanced social and physical infrastructure, improve the quality of life by providing affordable housing with accessibility to facilities and service provision, and deliver a high quality design and construction of new dwellings based on mixed tenure.
- An integrated framework plan and implementation strategy to make land available to **attract high-end investors, improve the investment product and raise the profile of Dundalk within the national and international arena.** The objective is to encourage investment, employment and infrastructure opportunities in line with Dundalk's status as a 'gateway' and a developing 21st Century city.

In *Newry* the key regeneration schemes proposed or underway include:

- **A Strategic Framework for Newry and the surrounding towns and villages prepared in 2003** sets out regeneration proposals for the various settlements in the Newry and Mourne District Council area including the identification of opportunity sites, funding and delivery

mechanisms, pedestrian linkages and integrated transport solutions³. **The Newry City Centre Development Framework** portrays a forward looking vision based on public-private partnerships in regenerating the city as a place in which to live, work and invest. Identified as a main hub in the Regional Development Strategy⁴ the Greater Newry Vision seeks to promote a vibrant city centre core within a wider catchment area comprising a family of communities and which is consistent with a Newry-Dundalk Twin City⁵. Newry City is considered to have the capacity to develop as a vibrant regional hub and growth pole incorporating clusters of economic activity.

- **A Waterside City Heritage** role by integrating the core more fully with the significant waterfront potential offered by the canal and the river, both of which run through the centre of the city. The strategy is based on the concept of the river and canal providing a new water-based focus complemented by clusters of mixed use developments strategically placed to meet the emerging needs of a more dynamic and accessible city. A linear waterfront park integrating with the public realm opportunities and historical fabric of the city could extend from the courthouse linking with the Town Hall, Albert Basin and Victoria Lock.
- **A regeneration strategy for the development of the key waterfront opportunity sites** linked to a linear corridor which promotes the sustainability image of the city. The prime waterfront site at the Albert Basin provides a unique opportunity to create a high quality landmark development that reflects city status at international, national, sub-regional and local levels. A mixed use development for the Albert Basin needs to raise the maritime legacy, architectural heritage and historical fabric of the city to a new level reflecting its linkage with the city centre and its gateway status with Carlingford Lough. Indeed potential exists to extend the continuity of the development opportunity to include the abattoir site with the same mixed use zoning and design requirements to those specified for the Albert Basin site
- **The proposed construction of the Newry River Weir** is seen as an integral component for delivering the regeneration strategy including the increased beneficial use of the waterfront lands between the canal and the river. The weir would result in a permanently raised water level through the city down to the southern apex of Middle Bank where the canal and river converge. The essential requirement is for the river bed to be covered to a water depth during low flow and low tide conditions. A new weir would enhance the visual appearance and water quality of the river as an environmental asset which is the catalyst with the capacity to trigger the regeneration potential of the waterfront area.
- The Department for Social Development, through the Northern Ireland Housing Executive, has funded a number of major housing improvement schemes in Newry City over the past number of years. The Drumalane/Quayside Close Project involved the provision of

³ Ferguson & McIlveen (2003), Strategic Framework for Newry, Crossmaglen, Kilkeel, Newtownhamilton & Warrenpoint, DRD, Belfast

⁴ Department for Regional Development (2002), Shaping our Future, The Regional Development Strategy 2025, DRD, Belfast)

⁵ A Greater Vision for the Greater Newry Area, Newry & Mourne District Council, Newry & Mourne Local Strategic Partnership, Newry Chamber of Commerce & Trade, Newry and Mourne Cooperative and Enterprise Agency.

environmental improvements coupled with selective demolitions and the upgrading of the remaining houses within the estate. The entire project cost £2 million and was the catalyst for the successful regeneration of a characteristic problem estate. Over £1 million was spent on the regeneration of the North Street flats close to the city centre. The work involved the demolition of a number of blocks of flats and the upgrading of the remainder. The Department is currently considering redevelopment options for the cleared site.

- A major £10 million project is underway to improve the Canal Street area. The work involves the demolition of old substandard stock and its replacement with high quality housing. Complementing this work is a series of environmental improvement projects carried out by the Department under the Neighbourhood Renewal Programme. Works include the provision of playgrounds and improved road and footways. A major scheme to improve the aesthetic appearance of arterial routes into the city notably the Camlough Road and Omeath Road is on-going.

Newry-Dundalk Collaborative Regeneration

Each of the regeneration schemes referred to above are specific to the Newry and Dundalk urban areas and are essential if they are to fulfil their potential as attractive and inclusive places in which to live, work, invest and visit. In the context of the Newry-Dundalk sub-region these schemes are clearly significant to the overall totality of improving the physical, economic, social and environmental quality of the respective urban areas.

The list of regeneration schemes are based on similar initiatives and needs: to create vibrant city centres based on mixed-use development; better use of existing land assets and location advantages to support economic development; recapturing water-based assets such as river and canal fronts to support tourism, commercial development and leisure; introduction of strategies that promote better planning, urban design and sustainable development; social development with a particular focus on housing needs; and identifying supporting infrastructure such as weirs.

The more collaborative approach to support these common objectives can be facilitated by building upon those existing schemes that are proposed at the urban level and to develop the linkages and synergies that would facilitate in meeting the strategic needs of the sub-region.

Mutual Opportunities and Challenges

Addressing the significant opportunities and challenges that exist in the sub-region will depend on better planning and the spatial environment as well as addressing the infrastructural deficit. The performance of a bi-polar Newry-Dundalk as a regional centre will be determined by the extent to which it can prove an attractive location for investment from highly mobile and productive industries/services.

Discussions with representatives of Newry and Mourne District Council, Dundalk Town Council, Louth County Council and the Department for Social Development indicate that a collaborative approach to regeneration clearly requires a number of key criteria which need to be incorporated into the regeneration of the urban areas of Newry and Dundalk respectively:

- A high quality urban setting in a waterfront location
- A design-led environment with purpose designed buildings

-
- A high standard of infrastructure provision
 - Technology requirements within property solutions
 - Ready accessibility to domestic and export markets
 - Support of third level education and research establishments
 - Available of a local graduate base with advanced business/financial skills
 - Existing base of indigenous and foreign owned firms
 - Good quality housing and cost competitiveness of office stock
 - Excellent quality of life and positive environmental standards
 - Action on designation of Air Quality Management Areas
 - Emphasis on corporate social responsibility
 - Business friendly operating environment
 - Clustering of skilled services and manufacturing activities

Methods of Cooperation

The regeneration of the sub-region needs to draw upon the areas of strength in both Newry and Dundalk in terms of effective governance, stakeholder engagement and operational benefits. These include the following:

- Good management and leadership at local government level
- Strength of stakeholder support and buy-in
- Collective critical mass of two settlements working collaboratively
- Shared and untapped environmental resource of international standing
- Rich legacy of cultural heritage and community cohesion
- Reputation for entrepreneurship and business development

Listed below are a range of possible options to promote collaboration. They range from mutual learning to much more sophisticated endeavours such as exploring joint financing.

Mutual Learning

Both urban centres are developing urban regeneration strategies within very competitive markets including proximity to strong urban centres (Dublin and Belfast). Regular exchanges among local officials, the chambers of commerce, and interested stakeholders can identify areas for cooperation. For example, as projects are developed in one jurisdiction, say the renovation of social housing using sustainable energy approaches, others can benefit from the transfer of experience.

Data Collection

At the urban level, the potential performance of a town or city's property market is an important element of the inward investment decision making process.⁶ Working with the respective Chambers of Commerce, key data can be collected from Newry and Dundalk to assess the property and land markets to assist in monitoring and assessing regeneration strategies (see Working Paper 11).⁷

⁶ Rental growth, arising from occupier demand and capital appreciation reflecting investor demand, are the primary factors by which new regeneration projects are evaluated.

⁷ For example, the joined-up analysis of property markets or key data that would help investors understanding options and opportunities.

Marketing

- Joint marketing of regeneration strategies by the local governments and Chambers of Commerce to underpin the shared twin city approach.
- Joint marketing of specific projects such as the proposed Newry-Dundalk International Service Zone (Working Paper 9, Newry-Dundalk International Services Zone)
- Promoting joint listing of properties among real estate brokers

Linking Policies, Strategies and Projects

- Reinforce respective planning policies--increasing densities and quality of life in urban areas and gateway/hub status (Working Papers 2-Socio-Economic Profile and Working Paper 4--Policy);
- Adoption of Sustainable Energy Strategies into Regeneration initiatives (Working Paper 8, Sustainable Energy Communities);
- Identify individual projects that link the centres through better public transportation between urban centres (Working Paper 6 on Infrastructure)
- Review timing of strategies and projects for possible joined up opportunities in the timing of procurement for services.

Funding

- Attract/ leverage FDI private investment to respective regeneration strategies;
- Would a developer go after similar projects in both town centres? Is there an advantage to this?
- Attract/leverage public funds from respective jurisdictions to reinforce 'linked/shared gateway'
- Attract/leverage joint public funding (Jessica or new funding instruments)

NOTE—THERE MAY BE OTHERS TO CONSIDER?

Financing

Raising the physical and environmental profile of Newry-Dundalk represents a significant challenge for the respective urban areas and will require substantial funding commitment from both the public and private sectors. New opportunities are emerging whereby funding streams can be channelled into delivery vehicles for targeted urban infrastructure projects and brownfield redevelopment schemes⁸.

- In mainland UK, one such vehicle being proposed will allow local authorities to use income derived from developer contributions to fund the costs of early infrastructure in the regeneration process. The fund intends to address the cash flow problems that frequently arise where upfront infrastructure investment is needed to which developers are unable to contribute until they see a return from their development schemes further downstream. The

⁸ Adair, Berry, McGreal & Hutchison (2006), Institutional investment in regeneration: Necessary conditions for effective funding, Investment Property Forum, London

Community Infrastructure Levy (CIL) will create a pool of cash available for infrastructure and regeneration within a local area. In contrast to the existing arrangements where a developer contribution to infrastructure costs are connected to their development the proposed CIL could be used for infrastructure in regenerating the local area or sub-region that may be unconnected to a specific development.

- The South-West of England Regional Development Agency is establishing a vehicle to pay for regeneration infrastructure upfront by involving public sector bodies in guaranteeing loans from the private sector which are then repaid using subsequent developer contributions. The £80m regional infrastructure fund comprises £50m from the RDA and £30m from the Department for Transport with the next stage seeking funding from the private sector⁹.
- The East of England Development Agency (EEDA) is setting up a £1 billion public-private regional fund for major infrastructure to support the region's plans for 500,000 homes by 2021.¹⁰ Building the fund may involve surplus property assets, loans from the EIB and unspent cash from developer contributions raised through section 106 agreements.
- Local Asset-Based Vehicles (LABVs) operate by placing public assets such as under-used council property or land or funds into a portfolio for use in leveraging matching private sector investment. The revenue stream is then used to develop the property portfolio with the returns on the investment being shared. It is considered that local authorities could potentially gain from such vehicles by sweating their assets to generate a long term source of regeneration funding. English Partnership has been responsible for setting up Blueprint which is a regional LABV that manages the property assets of the East Midlands RDA. As yet no council-backed vehicle exists although a number are at an advanced stage in Birmingham, Newcastle and Sheffield.

An interesting development to assist LABVs is the recently approved EU Programme, JESSICA (Joint European Support for Investment in City Areas) which allows EU member states to invest a portion of their structural funds in urban regeneration projects and to secure a return on the investment. JESSICA approved funds can be channelled through a LABV although the implementation process is still at a very early stage. Annex 1 provides more detailed analysis of how the JESSICA programme could be used. The prospective attraction of LABV funding for Newry-Dundalk is a distinct possibility and should be explored at central and local government levels as a potential delivery vehicle. The uniqueness of the Newry-Dundalk twin-city concept should be made to the EU under the JESSICA programme as a pilot scheme based on the grounds of being cross-border, cross-jurisdictional and cross-impact.

Other funding sources might be drawn down under the European Regional Development Fund Programme which will continue until 2013. The largest of the initiatives, the Sustainable Competitiveness Programme worth €14 million to Northern Ireland, aims to promote the EU's Lisbon agenda for jobs and growth and to build a peaceful, fair and prosperous society with a growing dynamic and innovative economy. The cross border programme, INTERREG IVA (€256

⁹ Lee B (2008) South West lines up pioneer fund model, Planning, 14th March, Issue 1760.

¹⁰ Region forms facility fund, Planning, Issue 1764, 11 April 2008.

million) will continue to support and encourage natural and practical cooperation between the two jurisdictions and between the island of Ireland and Scotland.¹¹

The new PEACE III Programme (€333 million) aims to establish meaningful cross-border and cross community initiatives that will improve trust and tolerance and support conflict resolution and mediation at the local level¹². This priority will primarily be delivered through Action Plans coordinated by partnership arrangements operating at the local level. The local authority acting as lead partner will identify regional strategic projects to complement Local Action Plans by:

- Focusing on reconciliation
- Acting as a catalyst for reducing levels of sectarianism
- Being strategic in focus on a regional basis across Northern Ireland and the border counties
- Demonstrating compatibility and complementarity to activities delivered at the local level
- Offering due regard to the five cross cutting themes of cross border cooperation; equality of opportunity, sustainable development, impact on poverty and partnership.

The various funding sources indicate a need to make the most of the Structural Funds which are being made available in addition to taking advantage of the wider initiatives within the European Union. Accessing these funds will depend on the willingness to participate and to make quality applications on a cross border basis.

(Refer to the Atlantic Programme)

Note: Identify and add financing schemes from the Republic of Ireland

Getting Started

Creating a linked regeneration strategy will require careful consideration of areas and methods for cooperation. A starting point is developing a mutual understanding of the respective strategies and key projects that are coming on line and where there are potential areas of overlap or opportunities for economies of scale through cooperation.

Furthermore, each urban centre needs to inventory their land and building assets to identify underutilised land or buildings in locations suitable for redevelopment.

Listed below are some initial ideas that can be used to begin cooperation and eventually move into more complex structures of cooperation based on identified opportunities.

Year One:

1. Joint workshops or conference on regeneration initiatives facilitated by local councils and Chambers of Commerce.
 - a. Identify key areas of overlap in regeneration strategies and approaches and opportunities for cooperation.
2. Identification of data to collect and joint commissioning of data collection and analysis.

¹¹ DFP Press Release, 14th April 2008: <http://www.dfpni.gov.uk/index/finance/european-funding>

¹² PEACE III Programme 2007-2013

3. Adoption of Sustainable Energy Guidelines

4. Other....

Outlined below is a suggested composition of the key stakeholders that can be directly involved in identifying areas for cooperation in regeneration at central and local government level in both jurisdictions and specifically those engaged in regeneration project delivery in Newry and Dundalk respectively. It is proposed that the composition of the key stakeholder steering group will include representatives from the public and private sector and financial institutions as follows:

Newry-Dundalk Regeneration Steering Group

Managing Authority

Central Government

Department for Social Development

Department of the Environment, Heritage and Local Government

Stakeholder Group

Local Government

Newry and Mourne District Council

Dundalk Town Council

Louth County Council

Private Sector

Financial Institutions

Chambers of Commerce

Annex 1—JESSICA--An example of a cross-border funding initiative

JESSICA is a new policy initiative being advanced by the European Commission, with support from the European Investment Bank (EIB)¹³. The purpose of the initiative is to help public sector authorities in the member states exploit financial engineering mechanisms to support investment in sustainable urban development within the context of cohesion policy. Under the proposed new procedures, managing authorities (Central/Local Government) in the member states will be allowed to use some of their Structural Fund allocations, principally those supported by the European Regional Development Fund (ERDF) but also, where appropriate, the European Social Fund (ESF), to invest in Urban Development Funds (UDFs) to help in the acceleration of investment into urban regeneration areas. Specifically, JESSICA will give special attention to the need for renewal and/or regeneration of certain urban areas where there is an increased emphasis on the urban dimension of economic and social cohesion. Managing authorities must invest in projects which will sit within well-defined integrated urban renewal and development plans.

The JESSICA initiative has been launched with a view to leveraging in additional resources that are suitable for public-private partnerships (PPPs) and for urban renewal and development projects in the regions of the EU. The initiative is also expected to contribute financial and managerial expertise from specialist institutions such as the European Investment Bank, the Council of Europe Development Bank and other International Financial Institutions. The attraction of JESSICA is to create stronger incentives for successful implementation by beneficiaries, by combining grants with loans and other financial mechanism in an asset-based approach to regeneration in urban areas. Long-term sustainability will be reinforced through the revolving character of the ERDF (and ESF, where eligible) to funds specializing in investing for urban development. JESSICA allows the use of interim payments from Structural Funds to be invested by managing authorities in UDFs through recyclable and recoverable financial mechanisms, essentially equity, guarantees and subordinated loans. This asset-based, market-driven approach is expected to at least recover the investment. Recovered funds may be reinvested through UDFs or returned to the managing authority to support other urban projects.

It is envisaged that a joint regeneration project involving Newry and Dundalk based on the JESSICA initiative will bring considerable benefits through the funding of regeneration for the town centres and waterfront areas in Newry and Dundalk. By building on progress the initiative provides a new way of thinking in utilizing the tangible and intangible assets of both the public and private sectors in the regeneration process.

In England, the Regional Development Agencies (RDAs) have been nominated to take the JESSICA initiative forward under the auspices of the Department of the Communities and Local Government (DCLG). The latter has granted approval to the RDAs to begin the planning process of how to adopt the JESSICA initiative in the funding of regeneration schemes in their regions. It is envisaged that regional monitoring committees which scrutinize the spending of European funding, including DCLG, would determine the approval of the RDA proposals. It is understood that the EIB, which jointly operates JESSICA has agreed to fund a feasibility study in London and the Welsh

¹³ Information Note (2006), JESSICA: Joint European Support for Sustainable Investment in City Areas, European Commission, Brussels

Assembly is due to embark of a pilot study. Given the appeal of using a cross-jurisdictional approach in a cross-border locational context, it is suggested that the authorities in Newry-Dundalk should adopt a pro-active position in making the case for a pilot project on the island of Ireland. As the RDAs are taking a leading role in England it is assumed that the appropriate central government departments (Department for Social Development in Belfast and the DOEHLG in Dublin) would take responsibility as the managing authority in providing the strategic inputs/guidance respectively. The key driver in implementing the initiative should include a representative steering group consisting of public and private sector and financial institutional players.

In terms of taking a JESSICA programme forward it is proposed that the two Central Government Departments (DSD & DOEHLG) as the Managing Authority in consultation with the steering group will need to set out its agenda on a number of levels.

- Firstly an expression of interest should be made by the appropriate government departments to the EIB for a pilot study to operate an UDF on a cross-border regeneration project in Newry-Dundalk.
- Secondly a feasibility study will be required to establish the viability of the regeneration project, the operational requirements and timeline.
- Thirdly secure approval at Central Government/EU level to convert grants from the operational programme (Structural Funds) into an Urban Development Fund.
- Fourthly the approval stage of selecting/agreeing the UDF linked to the regeneration project and signing fund arrangements based on a business plan. The regulations state that funds must be invested out of UDFs into projects before the end of 2015.
- Fifthly a funding agreement would be signed between the EU and the Managing Authority outlining the holding fund, specifying the terms, conditions and targeted investments.

The key requirements will be political endorsement from both jurisdictions and by the representative local authorities.