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A REGION TRANSFORMED AND
CREATING PROSPERITY FOR ALL

NORTHERN IRELAND THE PROSPERITY DIVIDEND

May 2023



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FOREWORD

We at Trade NI would like to welcome you to a two-fold celebration.

Firstly, a celebration of the incredible economic success story that Northern Ireland has become over the last 25 years, and secondly, a celebration of our steadfast belief in the ambition and potential for even greater achievements in the years ahead.

Trade NI is an alliance made up of the three largest sectors of industry, and the majority of businesses in Northern Ireland - Hospitality Ulster, Manufacturing NI and Retail NI. Our aim is for politicians and key influencers to understand Northern Ireland's economic needs and to help reform the policies that are holding us back in our growth. Our central priorities are to:

- ▶ Deliver a clear economic strategy for Northern Ireland
- ▶ Reduce the regulatory burden on businesses
- ▶ Increase the productivity of the Northern Ireland workforce
- ▶ Increase the skills base of our workforce.

We have learned through many years of experience that we cannot simply assume that all of the key decision makers for Northern Ireland are equipped with the best information on which to base their decisions. To that end we have worked closely with the Stormont Executive, the UK Government and all the political parties in Northern Ireland to ensure that they are well briefed on the opportunities and challenges that the local economy faces.

Despite the very unique challenges that exist here, the people of Northern Ireland and in particular, its business community, have truly embraced the opportunities arising from the Peace Dividend over the last 25 years. As a result, an economic momentum, the likes of which has never before been seen, has been building within our Private Sector and we at Trade NI believe that now is the time to capitalise and build upon this momentum. We believe that prosperity for all must be at the heart of Northern Ireland's future and that now is the time to maximise the Prosperity Dividend.

The successes of the Private Sector can only reach so far in their own right, but with a proactive and strategic partnership with Government and other stakeholders, there is a real chance that we can build a viable and sustainable economy for Northern Ireland. This is our Goal.

To help shape the decision making for this journey, we have engaged BDO NI, a respected local Accountancy and Advisory Services firm to look at the economic achievements in Northern Ireland over the last 25 years and based on the feedback from ourselves at Trade NI and businesses and stakeholders across Northern Ireland, to help formulate a reimagined way forward for Northern Ireland's economy.

Together with the support of our key sponsors, DWF, Danske Bank, and Heathrow, we will present this document as part of a 'Northern Ireland Day' in the House of Commons in May 2023. At this event, and beyond, we will seek to highlight to Ministers and MPs the potential that Northern Ireland has to offer and the opportunity that exists at this time to secure a stable and prosperous future for all in the region.

We look forward to working with you to achieve this goal.

Trade NI
www.tradeni.org

Retail NI
www.retailni.com

Manufacturing NI
www.manufacturingni.org

Hospitality Ulster
www.hospitalityulster.org



Glyn Roberts
Retail NI



Stephen Kelly
Manufacturing NI



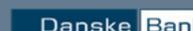
Colin Neill
Hospitality Ulster



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INTRODUCTION

Over the last 25 years, Northern Ireland has successfully transformed itself into a world leader in innovation across many industry sectors, a transformation that places its reputation alongside the most creative economies in the world. Its people are hardworking, supremely capable, and resilient to the often-unique challenges that they face on a regular basis. As a result of their efforts, the Northern Ireland economy has grown substantially and while not prone to self-congratulation, Northern Ireland entrepreneurs are instead maintaining their focus on the future and on fully capitalising on the opportunities ahead. Economic success and prosperity are key elements for the continued success of Northern Ireland and the dividend from this prosperity will ensure a benefit for all in the region.

So much has already been achieved across the entire region and in this report we will highlight, acknowledge and celebrate some of the many economic successes that have created a truly impressive foundation for the Future Prosperity of Northern Ireland.

The region is home to technology hubs, cutting edge manufacturers and one of the fastest growing film industries in the world, with Game of Thrones, Line of Duty, and Derry Girls amongst its tally of success stories. Hosting some of the biggest entertainment and sporting events on the planet, from the Giro d'Italia to the 148th Golf Open in Royal Portrush, to the G8 Summit in Fermanagh, it's fair to say that given the size of the region, it is punching well above its weight. Or perhaps it's a case that we are simply taking advantage of the opportunities we have been afforded.

The economic progress that has been achieved from a region with a population of only 1.9million people cannot be overstated. While it is important to embrace and celebrate the transformation Northern Ireland has made so far, the greater focus must now be to look to the future and what we can expect of our economy over the years ahead.

The investment in key infrastructure projects across Northern Ireland clearly facilitated increased economic investment, particularly in the early days of the '80s and '90s, but what is it that makes companies choose to stay and build sustainable operations in Northern Ireland over other economic destinations?

Whilst there is no doubt that our cost competitiveness initially played a part in attracting companies to Northern Ireland, it has been the highly skilled talent, enhanced infrastructure and pro-businesses environment that leads them to stay and re-invest. It is truly impressive that over 1,200 foreign companies have established bases here in Northern Ireland, with over 70% of these re-investing further.

The rise of the private sector features significantly in this report, with high profile brands such as Allstate, Citibank and IBM seeing Northern Ireland as a hub for their investment.

Since opening its doors in Belfast in 2005, Citi has become one of the largest local employers and the largest provider of financial services in Northern Ireland. Viewed at the time as a 'talent rich area', Citi appreciated the potential of both Belfast and Northern Ireland and has expanded its footprint in Northern Ireland tenfold over the last twenty years.

As a region, Northern Ireland has evolved with the changing environment to facilitate and encourage continued investment from across many industries. It has a resilient and forward-looking business community that has grown considerably in size and stature, a community that is ideally placed to reap the opportunities of the UK and EU markets, with a degree of access that is the envy of other regions.

Northern Ireland's story is a testament to the way forward being through working together. Over the last 25 years the region has shown that by combining our efforts and our focus, great things can be achieved. The Partnership that has evolved in Northern Ireland between Government, the Private Sector and all Stakeholders is a strong one, one that shows us that by working together any obstacle can be overcome. Through the strength of these partnerships an economy has been created that is confident, resilient and above all, hungry for more success.

Combined with the unlocking of over
£1billion FOR THE BELFAST AND DERRY REGION CITY DEALS
 GENERATING UP TO **20,000 jobs** OVER THE NEXT **15 years**

With its people, expertise and rich culture at its heart, Northern Ireland will continue to evolve in the years ahead, it will continue to grow and to flourish and with the momentum that it has been building, it will stand out as the world's 'best kept secret.'



Brian Murphy
 Managing Partner
 BDO Northern Ireland

NORTHERN IRELAND'S SUCCESS STORY

Northern Ireland has come a long way in the last 25 years, with some of the biggest events ever taking place in the region. Many of the key milestones would not have been possible had it not been for the ambition, determination, and resilience of its people.

The timeline overleaf shows an array of events that span the entire region, from the City of Culture in Derry/Londonderry, to the MTV Awards in Belfast, to the Open Golf Championship in Portrush. All of these key events have delivered significant economic benefit to Northern Ireland that may not have been possible without the foundation that has been created.

The changes to city landscapes and skylines in Northern Ireland are also tangible, with substantial investment in development projects across Northern Ireland, most notably in Belfast. Milestone projects such as Victoria Square, the Odyssey and the Titanic Museum have all been success stories in their own right and have contributed to the growth of the region.



NORTHERN IRELAND'S SUCCESS STORY

TIMELINE OF KEY EVENTS OVER THE LAST 25 YEARS

THE AGREEMENT
THIS AGREEMENT IS ABOUT YOUR FUTURE.
PLEASE READ IT CAREFULLY.
It's Your Decision

After nearly two years of talks and 30 years of conflict, the **Belfast (Good Friday) Agreement** is officially signed, underpinning Northern Ireland's peace, constitutional settlement and institutions.

APRIL 1998
Belfast Good Friday Agreement signed

OCTOBER 1998
John Hume and David Trimble awarded the Nobel Peace Prize

Over the next eight seasons of the show, the fantasy drama catapults Northern Ireland to the mainstream and boosts tourism and investment thanks to partnerships with HBO, Northern Ireland Screen and Tourism Ireland. Northern Ireland is now considered today a major hub for film and television production.

AUGUST 2010
Game of Thrones began production in Belfast

A landmark event generating £22m in revenue for Belfast.
NOVEMBER 2011
Belfast host MTV European Music Awards

Northern Ireland hosted the first stages of the 97th Giro d'Italia, one of cycling's Grand Tours.
MAY 2014
Giro d'Italia

Agreement allows for the restoration of the NI Executive and Assembly after 3 years and coincides with a New Deal for NI – a £400m package aimed at supporting business, trade and investment following Brexit.
JANUARY 2020
New Decade, New Approach

Northern Ireland's City Region Deals are signed, unlocking over £1 billion of transformative co-investment for the Belfast and Derry regions.
DECEMBER 2021
Belfast and Derry Region City Deals

SEPTEMBER 1998
US President Bill Clinton comes to NI

Former **US President Bill Clinton** delivered a keynote speech to the Northern Ireland Assembly at the Waterfront Hall in Belfast. In attendance were the then First Minister David Trimble, deputy First Minister Seamus Mallon and former Prime Minister Tony Blair.

JULY 2010
Derry / Londonderry officially named the UK's first city of Culture for 2013

The city benefited economically and culturally from the competition, hosting events such as Radio 1's Big Weekend, the Turner Prize and numerous other initiatives which brought thousands of people to the city in 2013.

MAY 2011
Queen Elizabeth II visits Ireland
Queen Elizabeth II became the **first British Monarch in 100 years to visit Ireland**, marking a significant turning point in Anglo-Irish relations as she met with former President of Ireland Mary McAleese and addressed a state dinner in Irish.

JUNE 2013
G8 Summit held in Lough Erne Resort, Enniskillen
The biggest political gathering ever held in Northern Ireland, with world leaders including then-US president Barack Obama, German chancellor Angela Merkel and then-Prime Minister David Cameron attending.

JULY 2019
Open Golf Championship
The 148th Open at Royal Portrush generated more than £100 million of economic benefit for Northern Ireland.

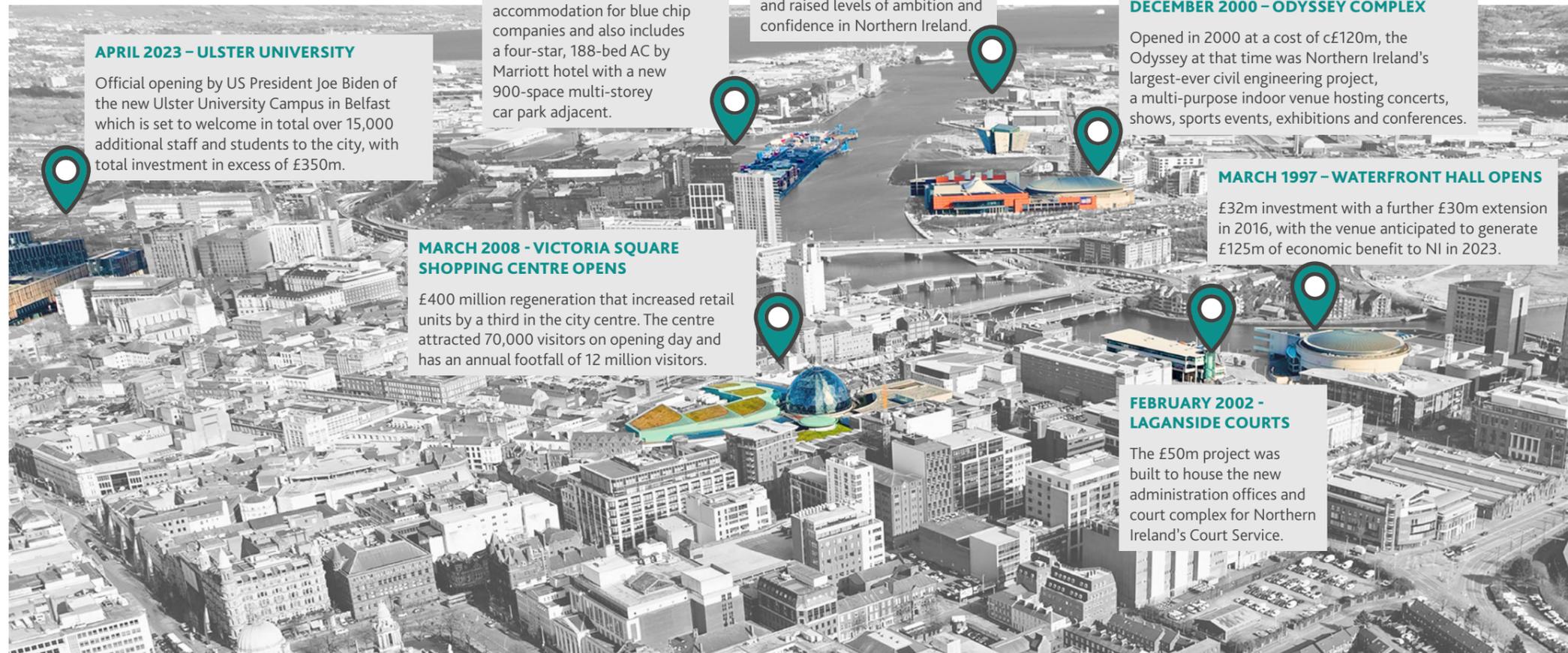
AUGUST 2021
Belfast host UEFA Super Cup
The first major European club showpiece occasion staged in Northern Ireland.

APRIL 2023
US President Joe Biden visits Northern Ireland to mark the peace deal anniversary
US President Biden delivered a keynote speech as he opened the new Ulster University campus in Belfast.

THE FUTURE

- Open 2025**
- 170 CRUISE SHIPS EXPECTED IN 2023**
- Tourism Growth to £2bn target**
- NI BIDDING TO CO-HOST EURO 2028**

EVOLUTION OF NORTHERN IRELAND'S LANDSCAPE



APRIL 2023 – ULSTER UNIVERSITY

Official opening by US President Joe Biden of the new Ulster University Campus in Belfast which is set to welcome in total over 15,000 additional staff and students to the city, with total investment in excess of £350m.

ONGOING DEVELOPMENT - CITY QUAYS

A £275million, eight hectare, mixed use waterfront regeneration project. It includes 40,000 metre² of accommodation for blue chip companies and also includes a four-star, 188-bed AC by Marriott hotel with a new 900-space multi-storey car park adjacent.

MARCH 2012 – TITANIC BELFAST OPENS

Built on the site of the former Harland & Wolff shipyard, it was voted the worlds best tourist destination in 2016 by the World Travel Awards. It has had over 6m visitors and alongside its economic impact, which has grown to £60 million a year, it has provided hundreds of jobs, and raised levels of ambition and confidence in Northern Ireland.

DECEMBER 2000 – ODYSSEY COMPLEX

Opened in 2000 at a cost of c£120m, the Odyssey at that time was Northern Ireland's largest-ever civil engineering project, a multi-purpose indoor venue hosting concerts, shows, sports events, exhibitions and conferences.

MARCH 1997 – WATERFRONT HALL OPENS

£32m investment with a further £30m extension in 2016, with the venue anticipated to generate £125m of economic benefit to NI in 2023.

MARCH 2008 - VICTORIA SQUARE SHOPPING CENTRE OPENS

£400 million regeneration that increased retail units by a third in the city centre. The centre attracted 70,000 visitors on opening day and has an annual footfall of 12 million visitors.

FEBRUARY 2002 - LAGANSIDE COURTS

The £50m project was built to house the new administration offices and court complex for Northern Ireland's Court Service.

JUNE 2018 - GRAND CENTRAL HOTEL

The £53 million hotel is housed in a former 23-storey office block in the heart of Belfast, offering 300 rooms.



2025 - NEW GRAND CENTRAL STATION

Will create hundreds of new jobs and act as a gateway to Northern Ireland at a cost of £175m.



OCTOBER 2016 - WINDSOR PARK

The new national football stadium was opened in 2016 following investment of £28.75m from the NI Executive. The new stadium now has a seating capacity of over 18,500.

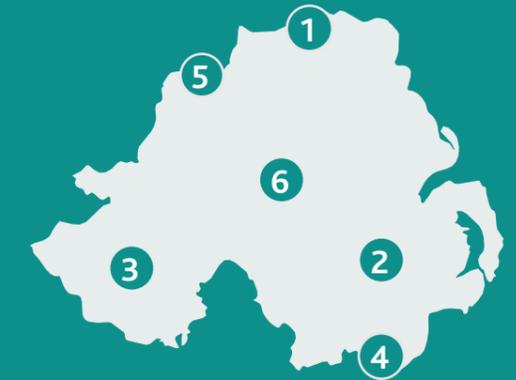


MAY 2014 - KINGSPAN STADIUM

In 2012, Ulster Rugby secured £16.5 million of funding from the Northern Ireland Executive for the redevelopment of the ground. Three new stands were built raising capacity from 11,400 to 18,000.



OTHER MILESTONE INVESTMENT PROJECTS ACROSS NORTHERN IRELAND



- 1 GIANTS CAUSEWAY VISITOR CENTRE, BUSHMILLS**
The building of the new state of the art visitor centre was part of an £18.5m investment in the Causeway by the National Trust which attracted over 1m visitors in both 2017 and 2018.
- 2 GAME OF THRONES TOURIST ATTRACTION, BANBRIDGE**
The £40 million attraction at Linen Mill Studios spreads across 110,000 square feet on the site where around one third of the hit HBO series was filmed between 2011 and 2019.
- 3 SOUTH WEST ACUTE HOSPITAL, ENNISKILLEN**
The Development of the 70,000m² acute hospital opened in 2012 and has 210 inpatient and 22 day-case beds and is a University teaching hospital for Queens University.
- 4 A1/N1 – NEWRY TO DUNDALK LINK ROAD**
This €96 million road scheme was jointly procured by the Northern Ireland and Republic of Ireland governments and was completed in August 2007. It is a strategically important route between Belfast and Dublin, linking the A1 and N1 carriageways.
- 5 PEACE BRIDGE, DERRY/LONDONDERRY**
Opened on 25 June 2011, connecting Ebrington Square with the rest of the city centre, the Peace Bridge has become an integral part of the city's infrastructure and is held in high regard by locals and visitors alike for its stunning physical beauty and in equal measures for the symbolic story it represents.
- 6 A6 – DERRY TO BELFAST ROAD**
Recently upgraded over 2 phases the A6 dual carriageway is a strategically important route as it is the main arterial route that connects the North West to Belfast.

GROWTH BY NUMBERS

GDP ROSE FROM
 **£19.8bn** TO **£43.7bn**
IN 1998 IN 2020
 a **120% increase.**

This equates to
 a **GDP PER CAPITA SPEND** OF
£25,575 UP FROM **£13,391**
IN 1998

OCO FORECASTING **GROWTH OF**
50% in the next decade to **£66bn**
 with the creation of **33,000 new jobs.** 

UNEMPLOYMENT FELL FROM
 **8.4%** to **2.5%** in the last
25 YEARS

The population has been growing steadily
1.9m people IN 2023 
OVER 50% OF WHICH ARE UNDER 40

One of the **UK'S**
happiest regions 

Numbers in full time education have
INCREASED
 **BY 50% to 66,000**

GDP

Growth and Prosperity have been the pillars of success in the Northern Ireland economy in the last 25 years. According to the economic analysis by trade and investment advisory firm OCO Global we have seen notable growth in GDP, rising from £19.8bn in 1998 to £43.7bn in 2020; a 120% increase. This equates to a GDP per capita spend of £25,575 - up from £13,391 in 1998 - and one of the largest improvements of any UK region. The implementation of the Windsor Framework is expected to propel this further, with OCO forecasting growth of c50% in the next decade to £66bn with the creation of 33,000 new jobs.

EMPLOYMENT AND POPULATION

The growth in Northern Ireland's economy is largely attributable to changing employment trends, with unemployment falling from 8.4% to 2.5% in the last 25 years. Additionally, employment has grown by 22.7% since 1998 - the strongest growth of any UK region. The population has been growing steadily, reaching 1.9m people in 2023 - over 50% of which are under 40 - one of the youngest populations in Europe.

HAPPINESS

Northern Ireland is also considered to be one of the UK's Happiest Regions according to the Lloyd's Bank Happiness Index. Despite wages and salaries lagging behind the rest of the UK, contentment among the local population had risen by 6% in recent studies, compared to the general UK rise of just 0.4%. In 1998, Northern Ireland was 12% lower than their UK peers in terms of gross weekly pay - this figure sat at 5% in 2022. The rapid increase of highly skilled jobs has undoubtedly played its part in this reduction and further investment is sure to close the unemployment gap yet further.

The percentage of people claiming good health has increased 70% to 79% and we have a more diverse community with almost 5% of residents now born outside Northern Ireland (just 1.8% in 1998) and numbers in full time education have increased by 50% to 66,000.



INVESTMENT IN THE PRIVATE SECTOR

The evidence of the increase in private sector investment has been unravelling for the last decade. There are currently more than 1,200 international companies with hubs in Northern Ireland, with c70% of these businesses choosing to re-invest in Northern Ireland due to the unrivalled talent of the workforce, supportive business environments and a *Giant* Spirit. In 2018, FDI Intelligence ranked Belfast as the best small city in the world for investment in business and in the Top 25 best cities in the world for attracting Foreign Direct Investment. Many of the businesses highlighted in this report have invested multiple times in their businesses, creating significant opportunities for the communities in which they are based.

Since 1998, no other UK region has experienced such high levels of growth (36%), with information and communication related jobs growing by a massive 99% in this period. Talent, competitive operating costs and sector strengths continue to drive investment to Northern Ireland which in turn, grows the Private Sector, with representation from Allstate, Citibank and IBM leading the international charge for future opportunities here.

Northern Ireland also continues to remain well above the UK average for public sector employment - 27% in 2022 compared to the UK average of 18%, which represents an ongoing dependence on the public sector and a legacy from the Troubles era. The growth of the private sector has certainly reduced this margin, which sat at 42% in 1987. Fewer jobs in high productivity sectors such as Financial Services and Fintech correlate with NI lagging behind the UK; c17% below the National Average. This represents a significant opportunity for growth, with the potential to add £7bn to the economy should Northern Ireland catch up with the UK wide averages.

TECH HUBS

So where is the opportunity to grow? Northern Ireland has shifted its primary business activities to align with the global market where high growth is achieved in sectors such as Pharmaceuticals, Tech, Cyber and Life Sciences. There has been a significant increase in Tech-related jobs in Northern Ireland and while it is estimated that one third of all jobs will be impacted by new emerging technologies in the next decade, Northern Ireland is already one of the fastest growing tech sectors in the UK. Global tech leaders such as SAP, Microsoft, Rapid 7 and Fujitsu have all established hubs in Northern Ireland thanks to the wealth of knowledge, entrepreneurship and talent that our highly skilled workforce has to offer.

E-COMMERCE

Tech isn't the only sector thriving in Northern Ireland, the rapid growth of digital commerce currently generates around £6bn in GVA for the NI economy - a figure that is expected to rise to £10bn by 2030 and create an extra 50,000 jobs. This would combine current and new openings to a total of 182,000 jobs by 2030 - equivalent of 17% of all employment. Homegrown Tech Firm, IRP Commerce, anticipates the actual value of these numbers could be as high as £12.1bn of GVA to the NI economy and 231,000 jobs.

More than
1,200 INTERNATIONAL COMPANIES
WITH HUBS IN NORTHERN IRELAND

In 2018 FDI Intelligence ranked
Belfast as the **BEST SMALL CITY**
IN THE WORLD 
for investment in business
 and in the **Top 25** **BEST CITIES**
IN THE WORLD for attracting
FOREIGN DIRECT INVESTMENT

Since 1998,
 no other UK region has experienced such
HIGH LEVELS OF GROWTH (36%)
 with information and communication related jobs
GROWING BY A MASSIVE 99%  

Represents a significant opportunity for growth
 with the potential to **add £7bn to the economy**
 should Northern Ireland catch up with the
 UK wide averages

Significant increase

IN TECH-RELATED JOBS IN NI

Northern Ireland is already one of the
FASTEST GROWING
TECH SECTORS IN
THE UK 

DIGITAL COMMERCE CURRENTLY
 GENERATES AROUND
£6bn in GVA 
 FOR THE NI ECONOMY
 a figure that is expected to **rise to**
£10bn BY 2030
 and create **50,000 jobs**

HOW HAS THE RETAIL, HOSPITALITY & MANUFACTURING SECTOR CHANGED IN THE LAST 25 YEARS?

HOSPITALITY & TOURISM

As Northern Ireland's fourth largest private sector employer and with a turnover £2bn, hospitality is a key player in the Northern Ireland economy- boasting three Michelin Star restaurants amongst our exceptional food offer, our world-famous Ulster-Irish pub and both local and international hotel brands.

The hotel sector has invested over £1bn over the last two decades, with the potential for a further £300m to be invested by 2025, on top of significant continued investment in our pub and restaurant offer. This demonstrates the continued growth and desire to improve the tourism and hospitality offering across the region.

The hospitality sector has benefited the most in the last 25 years, with the number of overseas visitors having more than doubled from 1.3m to 3m. Scheduled air routes to the Province have more than doubled, handling 8.8m passengers (up from 4.4m in 1998), while the number of annual cruise visitors has leapt from just over 1,000 to 350,000 expected in 2023 within 170 ships. But with tourism still only 5.2% of GDP, there is the potential and opportunity to double that figure to over 10% of GDP.

MANUFACTURING

Buoyed by the progress that the Good Friday Agreement has brought to Northern Ireland, the Manufacturing sector is one of our regions most prominent sectors, comprised of over 5,500 businesses, responsible for over 11% of all employment and indirectly supporting thousands of other jobs.

The dynamic of this industry has changed; Northern Ireland has always been a global player in early manufacturing sectors such as shipbuilding and ropeworks, but this sector is now combining cutting-edge technologies with evolving R&D methods to grow at a rate four times faster than anywhere else in the UK.

Mid-Ulster is home to a unique cluster of material handling solution providers which are innovative and truly global; our food producers feed over 10m people in the UK (despite our own population being less than 2m). 1 in 10 of the global population have a cholesterol test made by one of the Region's most successful manufacturing companies, Randox. We dominate the aerospace sector, with 150 firms now engaged in this area largely on the back of companies like Bombardier, Collins and Thompson. 1 in 4 of all electronic devices in the world are manufactured by Seagate who is the largest employer in Derry/Londonderry.

The manufacturing sector is home to a range of indigenous and international companies who combine to bring in c£17bn to the local economy, with over £9bn of export activity and the 3rd largest sub-section of employment growing to 90,000 direct jobs.

RETAIL

Wholesale and Retail is Northern Ireland's largest sector with 15% of real GVA in 2020 and an output of £6.1bn. According to Ulster University, in 2022 there were 6,100 businesses with 129,000 people employed which accounted for 16% of jobs.

Northern Ireland has a vibrant independent retail sector and significant progress is being made to create 21st century high streets. Many of our town and city centres are now major tourist destinations with a dynamic mix of retail and hospitality businesses.

The number of overseas visitors has more than **doubled** from **1.3m** to **3m** scheduled air routes to the province more than **doubled**, handling **8.8m** PASSENGERS (UP FROM 4.4M IN 1998) 



THE STRENGTH OF NORTHERN IRELAND'S COMMERCIAL OFFERING

DUAL ACCESS

Northern Ireland is in a unique position in that under the Windsor Framework, the region retains access to the EU single market for goods, whilst also being able to trade freely with Great Britain. This dual market access position means that Northern Ireland is a gateway for the sale of goods to two of the world's largest markets; GB and the EU.

This is a unique proposition for manufacturers based in Northern Ireland as well as those seeking a pivotal location from which to service GB and EU markets, recalibrate supply chains, or design, develop and sell products across key industries such as life & health sciences, aerospace, electronics & machinery, chemical and consumer & agri-food goods.

A YOUNGER, SKILLED POPULATION

Northern Ireland has one of Europe's youngest populations, with more than a third of the working age being university educated, which is the highest level of degree completion in the UK. It is known for its strong work ethic and loyalty, with labour turnover low compared to other regions across the UK and Europe.

Keeping pace with technological change is one of the greatest challenges facing the skills system, as the pace of technological advancement outstrips the speed with which Northern Ireland is responding. The Department for Economy ('DfE') has recently set out its skills strategy as part of the 10X report, which will focus on developing a skills system equipped to cope with the shift in tech focus in order for Northern Ireland to reach its competitive potential.

LOW COST BASE

Based on Invest NI research, Northern Ireland provides one of the most cost-efficient business environments in Europe. Operating costs overall are lower than the rest of the UK and Europe (FDI Benchmarking).

Prime office rents are among the lowest in Western Europe and compare very favourably with other regions in the UK and the Republic of Ireland. Grade A office space in Belfast ranges currently from £18-£24 per square foot.

Salary costs are lower than the UK average and typically averages c30% lower than other European locations such as London, Dublin and Paris.

Furthermore, it is also an affordable place to live, with Halifax's latest home report highlighting Northern Ireland's average house price to be £185k, which is c£100k lower than the UK average and the 2nd lowest of the 12 UK regions.

FOREIGN DIRECT INVESTMENT

The latest EY UK attractiveness survey ranked Belfast 3rd in the UK for attracting FDI, with the Department for International Trade's inward investment data showing that there have been 198 FDI investment projects into NI between 2016 and 2023, bringing with it over 10,000 new jobs along with significant financial investment.

Northern Ireland has been one of the best performing regions in Europe in attracting FDI in high technology sectors and is expected to continue to achieve growth in FDI due to its specialisation in large and fast-growing segments of the FDI market (e.g. Software and IT).

Research from DfE forecasts that over the period 2021-25, Northern Ireland could attract on average 41 FDI projects per annum, which is a 20% increase over the previous five years. In turn just over 2,000 FDI jobs could be created per annum (an 8% increase over the same period). Approximately, half of the FDI projects and three-fifths of the jobs are expected to come from new investors with the remaining projects and jobs from existing foreign investors.

STRONG EDUCATION SYSTEM

Northern Ireland has two world-class universities (Queens University Belfast and Ulster University), both ranked in the top 200 in the Times Higher Education World University Rankings 2022. We also have an extensive network of regional further education colleges providing academic and vocational training.

Queens University recently maintained its top position for the second year running in the Entrepreneurial Impact Report published by Octopus Ventures, with the University being noted for its highly effective approach to developing spinouts, with a key focus on 'customer discovery'.

Northern Ireland is consistently the top performing region of the UK at GCSE and A-level examinations. In 2019, 84.8% of Northern Ireland students achieved the three top grades in A-level exams, compared to 75.8% in the rest of the UK.

CONCLUSION

With three airports, a modern road and rail network, and a 100 gigabyte per second telecoms link with Europe and North America, Northern Ireland is quite literally at the centre of global markets.

This North-South and East-West access, along with the benefits detailed above further enhances Northern Ireland's already strong proposition as a prime location to establish and grow a business.



TESTIMONIALS

We have highlighted the many merits and opportunities for businesses to invest in Northern Ireland, but we may be a little biased in our commentary. Let us now turn to those businesses that have already invested in the region and hear what they have to say...



JULIE GALBRAITH – EXECUTIVE PARTNER,
DWF NORTHERN IRELAND

DWF is a leading global provider of integrated legal and business services, located in 30 global locations and with a workforce of over 4000. DWF, through a merger with its legacy firm, has had a presence in Northern Ireland for 125 years. Julie Galbraith leads the team of 120 legal professionals in Belfast.

“Our team in Belfast has grown significantly in recent years and we continue to invest in our operations; combining local knowledge with our global reach. We have a highly skilled and committed workforce delivering legal and business services to the business community in Northern Ireland and to those investing in the region.”



RAJESH RANA – ANDRAS
HOUSE LTD

As one of Northern Ireland's most prolific business figures, Rajesh Rana heads up Northern Ireland's largest hotel group, Andras House Ltd, which now employs over 350 people and continues to expand its portfolio of hotels. As he continues to invest and grow the business in Northern Ireland, Rajesh is dedicated to the re-generation of Belfast and Northern Ireland as a whole.

“Northern Ireland is an extraordinary and unique place to build a business. Thanks to the highly skilled talent that it has, and a supportive, business-friendly environment, it is a no-brainer when it comes to investing, and continuing to invest in Northern Ireland. It is the vibrant hospitality sector in Northern Ireland which plays a key component role in attracting investment that creates further opportunity and growth. There is no better place to live, work, and play than Northern Ireland.”



SIR MICHAEL RYAN CBE – SPIRIT
AEROSYSTEMS

Sir Michael Ryan CBE is the Chairman of Spirit AeroSystems UK, whose Belfast operations are one of Northern Ireland's largest manufacturers, employing more than 3,300 highly skilled people and delivering innovative aerospace products for export. With over 40 years' experience in the company, Sir Michael sees a strong future for Spirit and its Northern Ireland supply chain, particularly as the industry embarks on a new, transformative era of flight.

“Northern Ireland has a rich heritage in engineering and advanced manufacturing, and excels as a global leader in cutting-edge technologies and processes. Our company is renowned for its innovation, and that innovation, which is evident throughout the local supply chain, will be the catalyst for economic growth and prosperity, as we drive transformational change to deliver new, sustainable technologies and platforms in the transition to a net zero future.”



EUGENE MCKEEVER MBE – MCKEEVER
HOTEL GROUP

As the well-known founder and owner of McKeever Hotel Group in Northern Ireland, Eugene has expanded the family business to control five hotels across the island of Ireland. With over 50 years' experience in the hospitality industry, Eugene is passionate about investing and promoting the opportunities for growth in Northern Ireland.

“What I love most about working and doing business in Northern Ireland are the people. Each day I encounter a wealth of passionate individuals who are eager for opportunities and who remind me that the power of our successful sectors lie with those who make it up. This is why Northern Ireland is famed for its hospitality offer. I have first-hand experience of the incredible workforce in Northern Ireland, and I am passionate about advocating for the opportunities available for those that want them. Northern Ireland is the gateway to opportunity for any business that is looking to grow, expand or invest.”



PATRICK DOODY – SALES & MARKETING DIRECTOR,
THE HENDERSON GROUP

The Henderson Group is over 125 years old and has its roots firmly in Belfast and Northern Ireland within the retail grocery business. During this period, the Group has expanded and diversified significantly, operating under four independent entities which make up the Henderson brand; Henderson Wholesale, which is complemented by subsidiary companies Henderson Technology and Henderson Print, Henderson Retail, Henderson Foodservice and Henderson Group Property.

“We have invested heavily for many years in growing our business and in particular our investment over the last 10 years has been almost exclusively geared to our Northern Ireland business. This is our core market and we will continue to invest in the future.”



KEVIN PATTERSON – RETAIL
MANAGER NI

Maxol is family-owned business and Ireland's leading family forecourt and convenience retailer. A recognised leader in advanced fuels and new energies for mobility.

“Maxol opened the first dedicated Ultra-Rapid EV Charging Hub on the island of Ireland in December 2022 in Kinnegar, County Down. Maxol will invest £84M in NI over the next five years as it seeks to further reduce its reliance on fossil fuels and become a more convenience-led destination.”





KIERAN HEGARTY – PRESIDENT, TEREX
MATERIAL PROCESSING

Terex Corporation arrived in Northern Ireland in 1999 and since then have invested multiple times in new production facilities, new products and new businesses across 8 sites which employ more than 3,000 people.

“Our experience is of an industrious, innovative and agile workforce who solve problems for our customers across the world from our \$2bn global Materials Processing Division now headquartered in the West. As economies everywhere focus on resource efficiency, material recovery and decarbonisation our local business is set to make a larger contribution and cement Northern Ireland's global reputation for engineering innovation in materials handling and processing.”



TOM BURKE – DIRECTOR OF CORPORATE AFFAIRS
AND SUSTAINABILITY

Coca-Cola HBC has been producing the world's most popular soft drinks in Northern Ireland since 1939. The company's state of the art facility at Knockmore Hill is home to 450 employees. The company has invested £20m in the site in the last three years and is currently undertaking a further expansion, which will see a further 40 additional jobs created. Coca-Cola HBC produces over 400 litres of beverage each year, of which approximately 70% is exported to the EU.

“Within that system, all of our production is carried out in Northern Ireland. Our investment in Lisburn, which has accelerated in recent years, is based on the quality of local workforce, the strength of the local infrastructure and the commitment of key local stakeholders to support business development. As a company which trades in both the United Kingdom and the European Union, we are hopeful of continuing to benefit from Northern Ireland's unique market access.”

BEANCHOR

BILL WOLSEY – BEANCHOR GROUP

As the founder of the Beanchor Group, Bill has over 40 years experience in the hospitality sector which has seen the Group grow to a diverse portfolio of restaurants, cafés, bars and hotels including the award-winning Merchant Hotel. Under Bill's direction and vision, the Group has set the standard in terms of attention to detail and quality of service in Northern Ireland. Bill continues to invest in Northern Ireland through job creation, career development and leading innovation in the hospitality sector.

“Over my years of experience, I have come to firmly believe that Northern Ireland is one of the best places to build a business. Although small, Northern Ireland has some of the most innovative and creative individuals and businesses who are enthusiastic about its future. There are endless opportunities for future growth in Northern Ireland, which in recent years, has well and truly been positioned as a fantastic place to not only visit, but to live and build a life. It is my hope that we can continue to re-generate and energise our social fabric with exciting and transformative investment that can unleash Northern Ireland's full potential.”

ALMAC

ALAN ARMSTRONG – CEO, ALMAC GROUP

Almac Group which employs more than 6,500 globally, works with the top 25 biopharma companies globally, and contributed to over half of all approved new molecular entities in the last five years. The Craigavon based firm which has built an international reputation for excellence and expertise right across the drug development life cycle, from development to commercialisation.

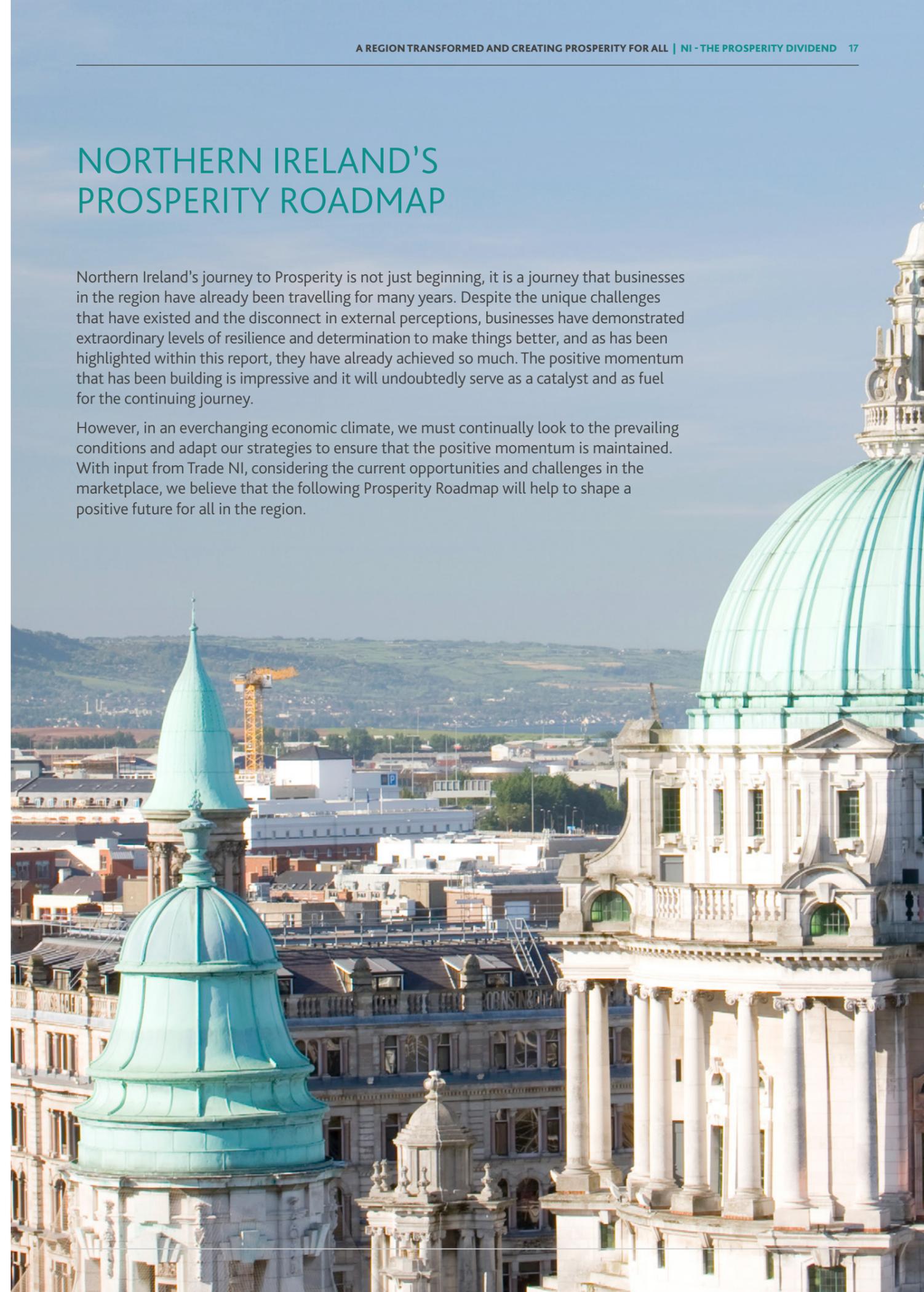
“We are as committed to Northern Ireland now as we were when we started in 1968. We are proud of our collaboration with local schools, colleges and universities. We need the best people to progress our world-leading work and Northern Ireland provides the highest calibre employees available.

Thanks to this our foundations are unshakeable and we have been able to expand to the Republic of Ireland, England, Scotland, Europe, APAC and the US. We are currently completing a significant expansion plan in Craigavon which will further increase our operational capabilities to meet growing demand from our clients. Our new recruitment campaign aims to grow the global workforce to 8,000 employees, with 1,000 of the additional roles coming to Northern Ireland.”

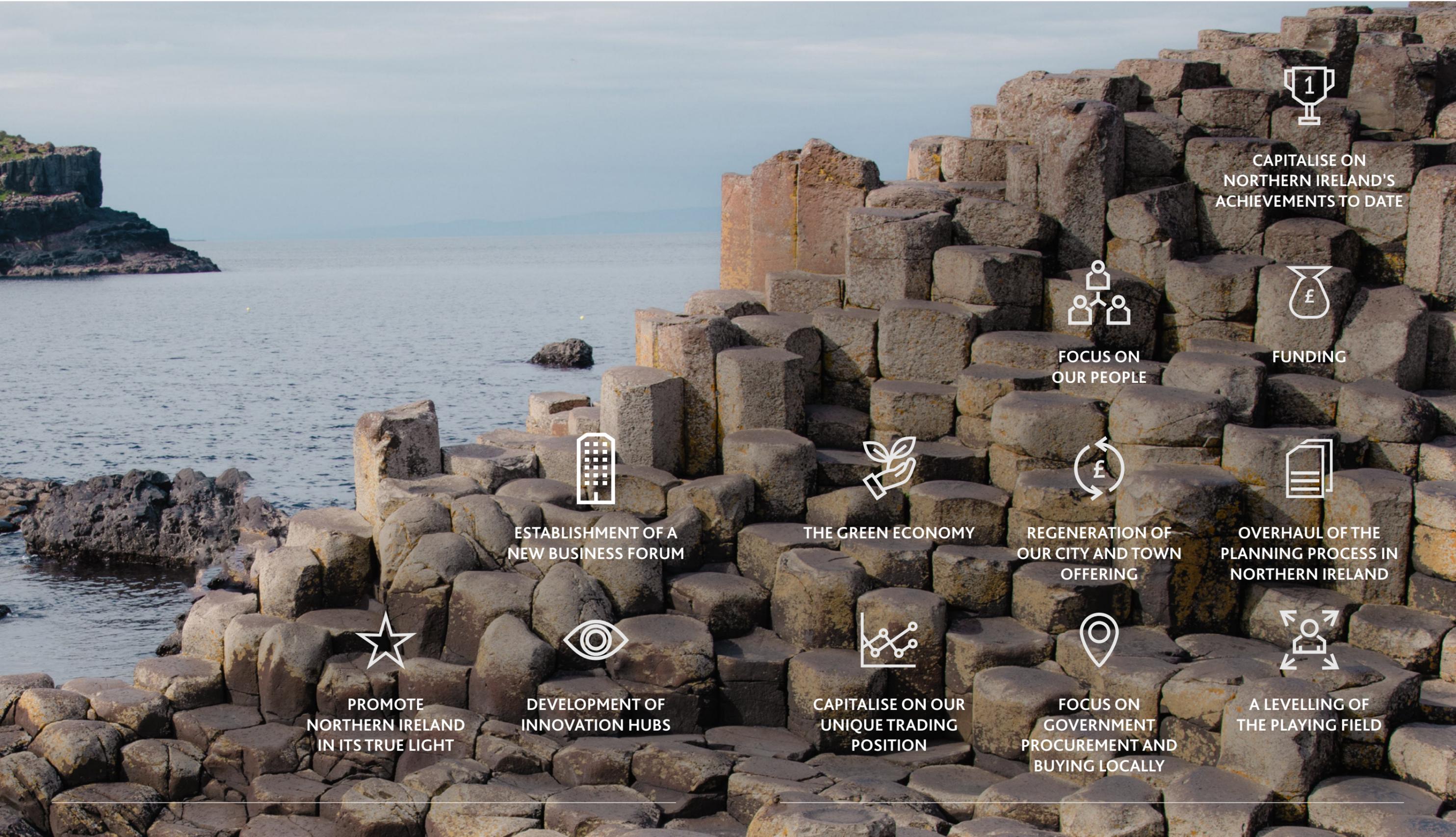
NORTHERN IRELAND'S PROSPERITY ROADMAP

Northern Ireland's journey to Prosperity is not just beginning, it is a journey that businesses in the region have already been travelling for many years. Despite the unique challenges that have existed and the disconnect in external perceptions, businesses have demonstrated extraordinary levels of resilience and determination to make things better, and as has been highlighted within this report, they have already achieved so much. The positive momentum that has been building is impressive and it will undoubtedly serve as a catalyst and as fuel for the continuing journey.

However, in an everchanging economic climate, we must continually look to the prevailing conditions and adapt our strategies to ensure that the positive momentum is maintained. With input from Trade NI, considering the current opportunities and challenges in the marketplace, we believe that the following Prosperity Roadmap will help to shape a positive future for all in the region.



A REIMAGINED PROGRAMME FOR PROSPERITY IN NORTHERN IRELAND



CAPITALISE ON NORTHERN IRELAND'S ACHIEVEMENTS TO DATE



FOCUS ON OUR PEOPLE



FUNDING



ESTABLISHMENT OF A NEW BUSINESS FORUM



THE GREEN ECONOMY



REGENERATION OF OUR CITY AND TOWN OFFERING



OVERHAUL OF THE PLANNING PROCESS IN NORTHERN IRELAND



PROMOTE NORTHERN IRELAND IN ITS TRUE LIGHT



DEVELOPMENT OF INNOVATION HUBS



CAPITALISE ON OUR UNIQUE TRADING POSITION



FOCUS ON GOVERNMENT PROCUREMENT AND BUYING LOCALLY



A LEVELLING OF THE PLAYING FIELD

A REIMAGINED PROGRAMME FOR PROSPERITY IN NORTHERN IRELAND

CAPITALISE ON NORTHERN IRELAND'S ACHIEVEMENTS TO DATE

Enormous efforts have already been put into the development of Northern Ireland's economic offering. The contribution of The Executive Office and the Permanent Secretaries, Local Councils, Invest NI, Tourism NI, the SIB and Trade Bodies across all sectors cannot be overstated. However these efforts must evolve with the changing environment and prevailing conditions to ensure that they are fit for purpose and make the most of the opportunities that arise.

FOCUS ON OUR PEOPLE

The people in Northern Ireland are often considered the region's greatest asset. To maintain and build upon this strength, it is imperative that we have our people and the economy's skills needs as key priorities. New investment is needed to deliver this objective:

- ▶ Creation of new Immigration Pathways to facilitate the introduction of new people and skills to the Northern Ireland marketplace
- ▶ Further investment in our Universities and Further Education Colleges to increase the number of vacancies and stop the 'brain drain' from the region
- ▶ Establishment of Public Sector conversion academies to facilitate the transfer of personnel from the public sector into the private sector
- ▶ Tap into the economically inactive workforce through the new ways of working that evolved during the pandemic
- ▶ Create a Northern Ireland specific 'Shortage of Occupations' list so that efforts can be focused on the areas of skills that are most needed
- ▶ Better use of Apprenticeships and the Levy that is paid by businesses
- ▶ Develop and introduce a 'Skills Tax Credit' system to encourage businesses to invest further in their people.

FUNDING

Even with the economic successes that have been achieved over the last 25 years, the economy in Northern Ireland continues to be impacted by an historic underinvestment in infrastructure and capital projects across the region, investments that other parts in the United Kingdom have been able to benefit from and build upon over that same period. To reverse this underinvestment and to give the region the tools it needs to deliver its own economic sustainability, a new approach to funding is required for the region. The Block Grant and the Barnett Formula approach have provided only limited funds to address the historic shortfall in investment and as such, the problem has persisted and become more ingrained. By introducing a Needs-Based factor to the formula it would be possible to identify the critical areas of need and to allocate funding to create a foundation on which to build a sustainable economic viability for Northern Ireland's future. Critical areas of need include the following:

- ▶ Public Sector reform to reverse the region's historic dependency on this sector and to capitalise on the potential of the current Public Sector workforce across the Private Sector instead.

- ▶ Investment in physical and economic infrastructure projects to make key economic locations across the region more accessible to their markets and to make the entire region attractive to foreign direct investment
- ▶ Investment in the Third Sector, to enable it to continue to provide the services that are critical in supporting both the community and the economy
- ▶ Enhanced air connectivity and abolishment of Air Passenger Duty to make the region more accessible for both commerce and tourism
- ▶ An overhaul of the existing Rating system in the region
- ▶ Enhanced and targeted investment in existing Government Agencies to enable them to compete with other destinations in selling Northern Ireland as 'the' place to visit and to do business.

Without a new approach, the annual funding challenges facing Northern Ireland will continue indefinitely.

ESTABLISHMENT OF A NEW BUSINESS FORUM

There are many factors impacting upon the economy in Northern Ireland. These will have an increasingly material impact on businesses in the years ahead and therefore it is important that a new Business Forum be established to consider the opportunities and challenges that may arise and adapt our strategies to accommodate them. This forum should be a multidisciplinary team of stakeholders from Government, NI trade bodies, businesses, funders, and environmental groups.

THE GREEN ECONOMY

The Northern Ireland region has already achieved much in relation to its environmental impact. 51% of energy usage in Northern Ireland is now from renewable sources, this is ahead of the national average and is a credit to the efforts of the many stakeholders involved. Furthermore, with a further £3 billion of investment scheduled in the power network in the coming years, it is hoped that the 80% target of renewable energy usage can be achieved by 2030. The innovation and intellectual power behind Northern Ireland's manufacturing and engineering strengths puts the region in an excellent position to capitalise on the emerging green opportunities.

REGENERATION OF OUR CITY AND TOWN OFFERING

Cities and towns across Northern Ireland are the beating hearts of the community. In order to maintain and enhance the contribution that the region derives from its cities and towns, proactive action needs to be taken, including:

- ▶ The creation of multifunction hubs incorporating businesses, libraries, community services, healthcare, education, homes and sporting facilities
- ▶ Planning powers to be enhanced to breathe new life into towns and cities
- ▶ An enhanced public transport offering
- ▶ Establishment of more business improvement districts.

OVERHAUL OF THE PLANNING PROCESS IN NORTHERN IRELAND

The planning process in Northern Ireland is considered by many as a major impediment to economic growth and progress in the region. This issue extends across all sectors. It is imperative that the planning process be overhauled and made more efficient and commercially focused, without losing any of its environmental considerations.

PROMOTE NORTHERN IRELAND IN ITS TRUE LIGHT

Northern Ireland is often in the headlines, both locally and internationally, but unfortunately not always for positive reasons. As a result, the actual experience of living and working in Northern Ireland is not portrayed to the wider world. The reality is that Northern Ireland is, in fact, a great place to live and to work and the +1200 businesses that have already been attracted to the region through the efforts of our local politicians and Invest NI are a testament to that reality. As we move forward, it is critical that a strategy be coordinated between Government, trade bodies, Invest NI and other stakeholders in order to project a positive message to the world's media. The recent visit of US President Biden and the Prime Minister Rishi Sunak and the commitments made by the new US Economic Envoy, Joe Kennedy III are an incredible foundation for this strategy.

DEVELOPMENT OF INNOVATION HUBS

Through existing initiatives such as the 10X Strategy, innovative industry hubs are being developed across Northern Ireland. The continued development of these Hubs is a critical element to the economic growth and expansion in Northern Ireland.

CAPITALISE ON OUR UNIQUE TRADING POSITION

It is hoped that the political leaders in Northern Ireland can reach agreement in relation to the Windsor framework and following that, the region can fully capitalise on the unique circumstances that the framework provides businesses in Northern Ireland.

FOCUS ON GOVERNMENT PROCUREMENT AND BUYING LOCALLY

As the range of services and products that are created in Northern Ireland continues to grow, it is important that Government procurement focuses on this provision and where possible, engages services and supplies from local providers.

A LEVELLING OF THE PLAYING FIELD

For many years businesses in Northern Ireland have had to compete at a disadvantage to their counterparts in the Republic of Ireland. This imbalance has mainly existed around VAT rates for the hospitality and tourism sector and at a higher level, the differing corporation tax rates which exists between Northern Ireland and the Republic of Ireland. Further consideration should be given to ways to level the playing field so that businesses in Northern Ireland can compete on the same basis as their counterparts in the Republic of Ireland.

CONCLUSION

Northern Ireland's success over the last two decades has only been achieved by a coming together and a working together of all stakeholders. In overcoming the unique challenges it has faced, the region has already demonstrated a clear ability to work together towards a greater good. Political leaders in Northern Ireland have shown time and time again that, when necessary, they can come together and overcome great obstacles, it is this spirit of partnership and working together that is essential for securing the continued success of the region.

Northern Ireland is a region that has so much to offer, from its people and their work ethic and creativity to the outstanding natural beauty of its countryside. For too long its true potential has not been visible to the wider world, but with the efforts of stakeholders across the region, that is changing. It is now time to capitalise on the opportunities that await the region and to continue the journey to even greater prosperity for all.



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