



New Zealand

Regional Partnerships Programme

Framework and setting

- Geographic scale** The regional partnership programme covers all 26 regions of New Zealand. The regions vary in size covering 17,000 inhabitants (in the Tararua Region) to 1,300,000 inhabitants (in the Auckland region). The population covered by the programme in total is 4,100,000.
- Policy framework** The Regional Partnerships Programme (RPP) is a three stage programme, which part-funds regional economic partnerships for the development of regional economic development strategies (100,000 New Zealand Dollars – NZD per three year cycle), capability building (NZD 100,000 in any one year) and for a Major Regional Initiative – MRI (up to NZD 2,000,000 per three year cycle).

Partnerships at work

- Rationale** The original policy rationale for a central government role in regional development had three main elements: Firstly, central government activities impacting on regional development were poorly co-ordinated with one another and with local government activities that also impacted on regional development, with resultant duplication, overlaps and inefficiencies. Secondly, New Zealand's small size, geography and dispersed population, and the relatively high number of local government entities means, that, in some circumstances, central government needed to take a leadership role in co-ordination of activity and strategy formulation to attempt to overcome insular development thinking and projects, and direct competition between local communities. And last but not least, existing resources in regions were under-utilised and there was a lack of strategic focus on sustainable economic development.

Five regional economic development roles for central government have been identified. Central government can add value to regional economic development by:

- _ working with regional stakeholders to put in place the foundations and preconditions for the take-up of commercially-driven economic development opportunities in regions;
- _ facilitating the building of regional economic development capability, including increased responsiveness to changing market conditions and the identification of regional specialisations and strengths and advantages;
- _ facilitating improved governance and building leadership capability to improve the quality of decision-making and to generate economic development critical mass;
- _ providing advice and guidance on regional development best practice from a sustainable economic development perspective;
- _ and addressing whole of government co-ordination issues that affect regional development.

- Objectives** The objectives of the RPP are to facilitate and promote sustainable regional development to help regions respond to local opportunities, to facilitate learning and co-operation among regional groups and to improve (regional groups) understanding of the value of locally driven strategic development processes.

- Functions** The function of each RPP partnership is to develop a regional economic development strategy, to build the capability of the region to deliver on the strategy and to pursue sustainable economic development initiatives, including any major regional initiatives.

- Policy areas** Regional economic development policy

- Policy tools/ Instruments** The RPP is the main regional policy instrument in a suite of programmes that also includes the Cluster Development Programme, which aims to incentivise networking and collaboration between firms, and the Regional Polytechnic Development Fund, which addresses the necessary linkages between educational institutions and regional industries and labour markets.

- Timeframe** Ongoing
- Partners** The partners are central government, local government, business, economic development agencies, communities and iwi / Maori.
- Contracts** Each partnership is made up of a governance group representing the partners mentioned above. Contracts for specific projects are made between a lead agency and central government.
- Legal status** The partnership itself usually has no legal status, whereas the lead agency is already set up as a Trust, Company or other body.
- Sources of Financing** Central government is generally the primary provider of funds for strategy development, capability building and major regional initiatives while partners are required to contribute at least 25% of the total central government funding required. The 25% contribution is consistent with the partnership principle: it encourages local ownership of the initiative and provides a check for keeping regional initiatives in line with the priorities of local communities.
- Results** A review of the RPP in 2003 showed that the programme is performing well against key indicators of success. These are mainly focused on changed economic development partnership behaviours including:
- _ a more strategic regional focus and an agreed economic development direction (including key stakeholder buy-in);
 - _ improved knowledge of a region's strengths and advantages and more projects aligned with this;
 - _ strengthened and extended economic development networks and more collaborative approaches to projects;
 - _ improved co-operation and trust between groups and better understanding of other stakeholders' goals and processes; and
 - _ better co-ordination and alignment between central and local government resources.

Partnerships' highlight

- Programme/Project** Major Regional Initiative (MRI): Waikato Innovation Park
- Timeframe** The initiative was approved in December 2002, with the core facilities building officially opened in February 2004.
- Objectives** The initiative aims at contributing to sustainable economic development in the Waikato region, and New Zealand as a whole, by facilitating the commercialisation of public/private sector technology. The proposal built on the natural advantages of the area including concentration of some of the country's top scientists around Waikato University and the Crown Research Institutes based at Ruakara (AgResearch, HortResearch, Landcare and NIWA).
- Activities** The initiative is based on a partnership between business, local government, crown research institutes, iwi, economic development agencies and community groups, and is designed to convert intellectual property into commercial enterprise. Among new tenants attracted to the innovation park are NuFarm, a Welsh biotech company attracted to locate in New Zealand by the biotech activity in the Waikato, and new company Ectus Ltd, a world leader in online communications technology.
- Results** It is anticipated the completed Park will stimulate growth in the Waikato region by 4% and provide up to 2500 new jobs.

Contacts

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