

## Draft Concept Paper – Auckland Strategic Initiatives in Europe

*New project leader position co-located with NZTE (NZ Inc) in London*

### Purpose of the paper:

- This paper outlines a proposal to key central government stakeholders for ATEED to place an Auckland strategic initiatives project leader in Europe, based in London, to support key projects and undertakings. This approach is aligned with approach taken with the current project-based placement of an Auckland strategic initiatives project manager, [REDACTED], in San Francisco.
- These European projects are across the spectrum of ATEED's activities, including high net worth tourism (including the Monocle relationship), business education, convention attraction, events bidding and stakeholder after-care, super yacht and film attraction respectively, and investment after-care management.
- This role would report to Patrick McVeigh, ATEED's General Manager Economic Growth, with a dotted line to central government stakeholders based in London and Europe. As part of our commitment to working with NZ Inc, ATEED would want the role to be able to support programs being managed by other agencies.
- In particular, because of the strategic relationship ATEED has with NZTE, we would like to propose this role works out of the NZTE office in London, and works closely with that team. The development of this project resource in London affords greater opportunity for collaboration, while enabling ATEED to achieve some of its key outcomes and performance indicators.
- The remainder of this paper describes in more detail the advantages for Auckland and New Zealand and why it is the right time for this to happen. Additionally, the paper covers off how the role would operate and what the project objectives would be.

### Context & Problem Definition:

- Auckland is home to a third of the country's population and generates a little over a third of New Zealand's GDP. It is a well-accepted premise that for New Zealand to be successful, Auckland must be successful. This places a significant responsibility on Auckland to drive its own economic growth and structural development, as a key contributor to national prosperity.
- Within the next 10 years, Auckland needs to attract \$60 billion of inward investment just to drive the infrastructure developments needed to transform the city and region to a place of true international standing. To achieve this, Auckland will need to come to the attention of investors operating globally and compete with other cities looking to acquire funds and expertise for city and regional development.
- The ambitious goals in the Auckland Economic Development Strategy of 6% regional export and 5% GDP growth require a considerable step change for Auckland, and a new

more aggressive approach. It must focus on growing the service sector and on driving international growth, rather than the cyclical domestic economy growth that has previously driven Auckland's growth cycles.

- On the world stage Auckland generally lacks profile and reputation, simply because it is not known or understood. In order to acquire a profile and reputation, Auckland needs to have relevance to target audiences. In order to achieve this and to support specific undertakings, Auckland must present itself and be present, in appropriate places and contexts on the international stage. Auckland needs to build awareness, distinct from (but in a way that is complimentary to) New Zealand as a whole.
- Auckland must focus on more effective account management of its key relationships internationally. ATEED's "Kotahitanga" partnership philosophy, of working in a unified open and transparent way with its partners has proved to be key in starting to leverage better economic growth outcomes for Auckland. Key strategic relationships have been established in Asia-Pacific with international entities like [REDACTED] [REDACTED] [REDACTED] which have resulted in significant new economic activity with Auckland. Programmes like 'Aroha Auckland' investor aftercare, Study Auckland, Screen Auckland, China Business Advisory Group, Cruise New Zealand are also delivering significant results from more effective relationship management.

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- Auckland is seeing strong growth from Europe, in particular Germany, from international education and tourism. These are high value markets and the growth is projected to continue, driven by the strength of the German economy. This will require a strengthening of travel trade relationships in this market.
- There is also considerable activity in the events area as a result of Auckland's emerging reputation and the strengthening of relationships with key international sports organisations. There are a number of major bids to these organisations over the next 24 months for major events.
- Attracting skilled migrants continues to be critical to the growth of the Auckland economy. The UK continues to be a key target market, both for New Zealand expatriates and new migrants.
- Off-shore in-market projects like America's Cup 2013, Monaco Super Yacht Show, Sport Accord, and China Cup have demonstrated economic growth outcomes can be achieved from targeted activity, in partnership with NZ Inc agencies and companies.

- Key to that process of building Auckland's profile and positioning, and delivering measurable economic growth outcomes for optimum effect, is a clear understanding of the outside, looking back to Auckland (and New Zealand). Time spent in international markets with key strategic partners away from Auckland will continue to be pivotal to properly understand target audiences and opportunities. Their perspective on business opportunities is not always going to be the same as ours and fully appreciating this, will be important in positioning Auckland correctly and for best effect.
- National bodies concerned with creating profile and benefits for New Zealand, such as Tourism New Zealand and New Zealand Trade & Enterprise, must quite rightly, take a national focus and perspective, and are more vertically structured in their industry engagement and programs. ATEED, operating at a regional level takes an integrated approach to its projects and activities which requires significant project execution.
- The volume of activity associated with development of Auckland is significant, and it is extremely diverse, e.g. tourism, business education, convention attraction, skills, major events, super yacht and film attraction, investment and export growth.
- A key learning from Auckland's direct involvement in the 2013 America's Cup with NZTE and its presence in San Francisco, was the value of time on the ground with relevant people, face to face, representing the city and region and how that can support key projects and activities.
- Auckland needs to continue connecting internationally with activities, people and organisations. In-market resources, focussed on delivering point in time outcome based projects and programmes in strategic markets, offer a more cost effective, and sometimes politically acceptable, approach than the traditional "Fly In, Fly Out" model. Over time the benefits of this in-market activity is being captured through legacy activity, including establishing an "Auckland Citizen representative network", who can represent the city's interests and provide high level relationship support.

Solution:

- Recognising the need to connect internationally with some specific targets and audiences and being able to advance key Auckland projects and activity, Auckland (via ATEED) has established representation in Melbourne, Australia and San Francisco, USA. The representation is a) "light touch" with a single person used in each market; b) is in either a part time capacity (Australia) or in partnership arrangement with a relevant Government agency (West Coast USA, collaboration with MFAT, INZ and NZTE) and c) is focused on specific projects and defined activities.
- This approach has the potential to be extended to other off-shore locations in a limited way. Auckland representation within Europe, based in London on the same basis, would have merit based on the project outcomes required. The emphasis here is still be on placement of representation relevant to specific outcomes, to carry out targeted projects and activity, and focus on clearly defined audiences and organizations.

- With the placement of a well informed and experienced Auckland representative in London, key projects can be advanced in support of the Auckland economic development programme. Placement would ideally be done through a partnership arrangement with one of the national bodies – MFAT/NZTE/TNZ. In this case ATEED's preference is NZTE, for an initial period of 24 months based on the identified project outcomes.
- The Auckland representative can also act as a subject matter expert who can provide a base of knowledge and connection point for the NZ Inc national entities operating in the UK and Europe. It can help with the understanding of what is going on in Auckland and making it part of the 'whole of NZ' offer. This, for example, could include work around the promotion of the new International Convention Centre, a key Auckland and NZ asset, with relevant audiences.
- Additionally, as Auckland seeks to advance itself with an integrated economic growth and development approach, to address some of the common issues of first world cities, learning the lessons of others who have tried and succeeded (or failed), will be of distinct benefit to Auckland. Looking for and studying best practice behaviour in city and regional development activity in the UK and Europe, and feeding that back in a relevant way to Auckland, has potential to be beneficial in the near term.

#### Role Objectives:

1. Plan, co-ordinate and execute Auckland specific projects for Auckland and provide presence and representation, at targeted UK and European events, in support of specific ATEED and Auckland economic development objectives (high net worth tourism (including the Monocle relationship), business education, convention attraction, migrant attraction, events bidding and stakeholder after-care, super yacht and film attraction respectively, and investment after-care management). Carry out this project activity in a co-ordinated way with NZ Inc (TNZ, NZTE, INZ, etc) entities and initiatives.
2. In the near term, also act as a conduit and in-market representation point, into key sub markets, networks and organisations that Auckland is currently working with. This would complement relationships established with Auckland based subject specialists with the benefit of "same time zone" and face to face relationship building.
3. Seek out, assemble and communicate, best practice activity and learnings from the UK and Europe that will be relevant to ATEED's forthcoming activity programme and Auckland initiatives and projects. This will be for the benefit of broader programmes or activities (eg. The Southern Initiative) or specific sectors (eg. food and beverage, regional tourism). Where appropriate and to support this work, propose and create formal collaboration agreements with UK and European organisations.
4. In support of the project to help clearly define a clear Auckland business brand, seek out and communicate first hand market intelligence to help Auckland position itself intelligently and appropriately in the international context and as it seeks to compete effectively with other global cities.

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[REDACTED]

[REDACTED]

Operational Detail:

- Project role established in partnership with a relevant Government entity or ministry, to ensure good coordination and linkage, at a NZ Inc level. Probably NZTE or MFAT; possible involvement of TNZ also.
- Initial two year timeframe to deliver all elements, with an “in progress” formal review at 1 year and regular reporting points (probably quarterly or half yearly).
- An agreed set of activities within individual projects to ensure all parties have an aligned view on the scope and parameters and to avoid project creep.
- Likely to be based out of the NZTE office in the Haymarket, London, to ensure co-ordination with other NZ Inc entities.
- ATEED would meet the required budget to support the role including salary plus appropriate project/activity budgets (much of this already existing), including appropriate travel and related expenses. ATEED would enter into an appropriate "hosting relationship" with NZTE.

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