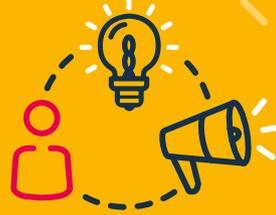




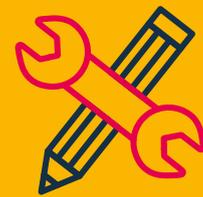
Grow External Sales



Innovation



Entrepreneurship & Commercialisation



Skills



Investment



Green Economy



Compete 4.0 & Supply



Levelling up

Building the Foundations for a Better Economy

Business Plan 2021/22:
Drivers for Success

Following approval by the Minister in September 2021, we have now published our 2021/22 Business Plan. This plan was largely developed in advance of the Department for the Economy's recently launched 10X economic vision for a decade of innovation strategy.

Invest NI welcomes the publication of this strategy and is now working to ensure our activity is in line with the ambition set out in 10X, and accelerating it. This includes identifying and coalescing around those strategic opportunities and interventions which are focused on the core technologies and clusters where Northern Ireland can be a global leader within the next decade. We will prioritise these to build significant capability and capacity with the potential to drive the economy forward.

Invest NI will use this bridge year between the end of our 2017-21 Business Strategy and the development of a new longer-term strategy from April 2022 to transform and refresh our solutions, interventions and processes aligned to the 10X strategy. We will look to optimise our support, addressing gaps in provision and maximising the impact of our resources and interventions to deliver positive economic, environmental and societal outcomes that deliver transformative change.

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Introduction

2020/21 Start Point

With the impact of the COVID-19 pandemic in 2020/21 Invest NI, like all businesses, had to rapidly adjust to a new business environment. The organisation not only continued to support strategic economic development projects but also pivoted to deliver much needed emergency help for businesses to immediately address COVID-19 and EU Exit challenges and impacts.

Invest NI worked closely with businesses to approve over **3,000** offers of financial assistance towards strategic investment and growth commitments. These commitments covered the areas of innovation, job creation, R&D, skills and exporting to new markets. Our total assistance of **£106m** through these offers will help generate over **£580m** investment in the wider NI economy.

To supplement our established schemes and deliver policy for COVID recovery, Invest NI also assessed, developed and introduced nine bespoke, dedicated COVID recovery schemes, ranging from equity investments to grants for businesses implementing efficiency, productivity and organisational improvements. These were designed to meet specific identified NI business needs that emerged with the impact of COVID. Through these bespoke programmes, Invest NI offered nearly **£6m** of support to **443** businesses across the 2020/21 financial year.

Invest NI also contributed to the wider public COVID response by redeploying over **120** staff to deliver five of the NI Executive's emergency COVID recovery schemes. These schemes were designed to assist NI's wider business base, particularly, our micro and small businesses. Across 2020/21, Invest NI delivered

£100m of emergency financial assistance to over **13,100** applicants through these schemes which acted as an operational lifeline, helping to sustain and support them through the worst impacts of COVID.

In addition to financial assistance, Invest NI also provided free professional advice and guidance to businesses through its nibusinessinfo website, dedicated EU Exit team and business support phone line. This advice was available to all businesses in Northern Ireland, proving invaluable in helping businesses navigate the operational challenges presented by COVID and EU Exit. Invest NI's Business Support Team received over **35,500** calls and dealt with almost **11,000** email enquiries over the 12 months of 2020/21. This represented a **600%** increase on call volumes in a standard year, with the team responding to **400** calls a day at peak times.

2017/21 Business Strategy

2020/21 was also the final year of our four year business strategy. While the global pandemic significantly impacted our final year priorities, Invest NI responded with urgency to these challenges, adapting and flexing its support right across the economy and delivering new solutions to protect the economy. We still met four of our five final strategic outturn targets, with the fifth still to be reported on. Final figures for the remaining target, Business Expenditure in R&D, will only be released later this year, with good progress demonstrated to date.

Invest NI's Business Strategy outturn figures are compiled from KPI data collected from a cohort of over 1,700 businesses which Invest NI works most intensively with.

2017-21 performance is outlined below:

2017-2021 Business Strategy Target	2017	2018	2019	2020	Final Outturn
30,000 - 40,000 Additional Jobs	10,987	9,298	8,886	7,658	36,828
£3.2 - £4.2bn Total Sales (£bn)	1.7	1.6	1.3	-0.4bn	£4.1bn
£2.4 - £3.1bn External Sales (£bn)	1.3	1.4	1.0	-0.4bn	£3.2bn
£0.8 - £1.2bn Export Sales (£bn)	0.8	0.8	0.4	-0.9bn	£1.1bn
£160m - £200m Increase in Business Expenditure on R&D (£m)	14.8	10.1	81.3m	TBC**	TBC**

*Totals may not add due to rounding.



36,828
additional
jobs
2016-2020



£4.1bn
increase in
total sales
2016-2020



£3.2bn
increase in
external sales
2016-2020



£1.1bn
increase in
export sales
2016-2020

Building the Foundations for a Better Economy – 2021/22 and Beyond

The negative impacts of the COVID-19 pandemic continue to be hard felt across the global economy which remains in the grip of recession. In Northern Ireland economic output has declined with exports decreasing by 14.4% during 2020; unemployment has risen (3.6% at February) and, as of the end of March, 99,400 workers remain on furlough. Whilst the swift

and successful rollout of the vaccine across the UK offers cause for optimism, the wider economic outlook remains uncertain. We face a more challenging global environment in the future. For NI to be competitive in this new environment, urgent transformation is needed to meet NI’s ambitions. Invest NI will champion the delivery of this transformative change to meet the ambition of the Department for Economy’s new 10X Economy vision. We recognise the need for creativity, pace, prioritisation and strong delivery to build the future NI economy.

Drivers for Success

10X Economy is an ambitious, all-encompassing vision which aims to drive economic growth through a focus on innovation, whilst achieving a fairer distribution of opportunity for all our people to benefit from.

This means a Northern Ireland that has better jobs with better wages, a more flexible working environment and a better overall quality of life.

Invest NI recognises that the previous and current economic development path will not be sufficient to drive the change that is necessary to transform our economy.

At the early-stage of the 10x roadmap, Invest NI has engaged with business and economic development stakeholders to develop a Business Plan with a clear focus on eight economic drivers which will provide, not just a pathway to recovery, but build strong foundations for 10X Economy transformative growth.

For each economic driver, we have a clear ambition and aspiration for what NI's economy can become. Delivering this ambition will require championing some key transformative projects, in collaboration with key enterprise partners, to accelerate into our next four year strategy. While we will pivot our transformation into that strategy, we will deliver current commitments as detailed below.

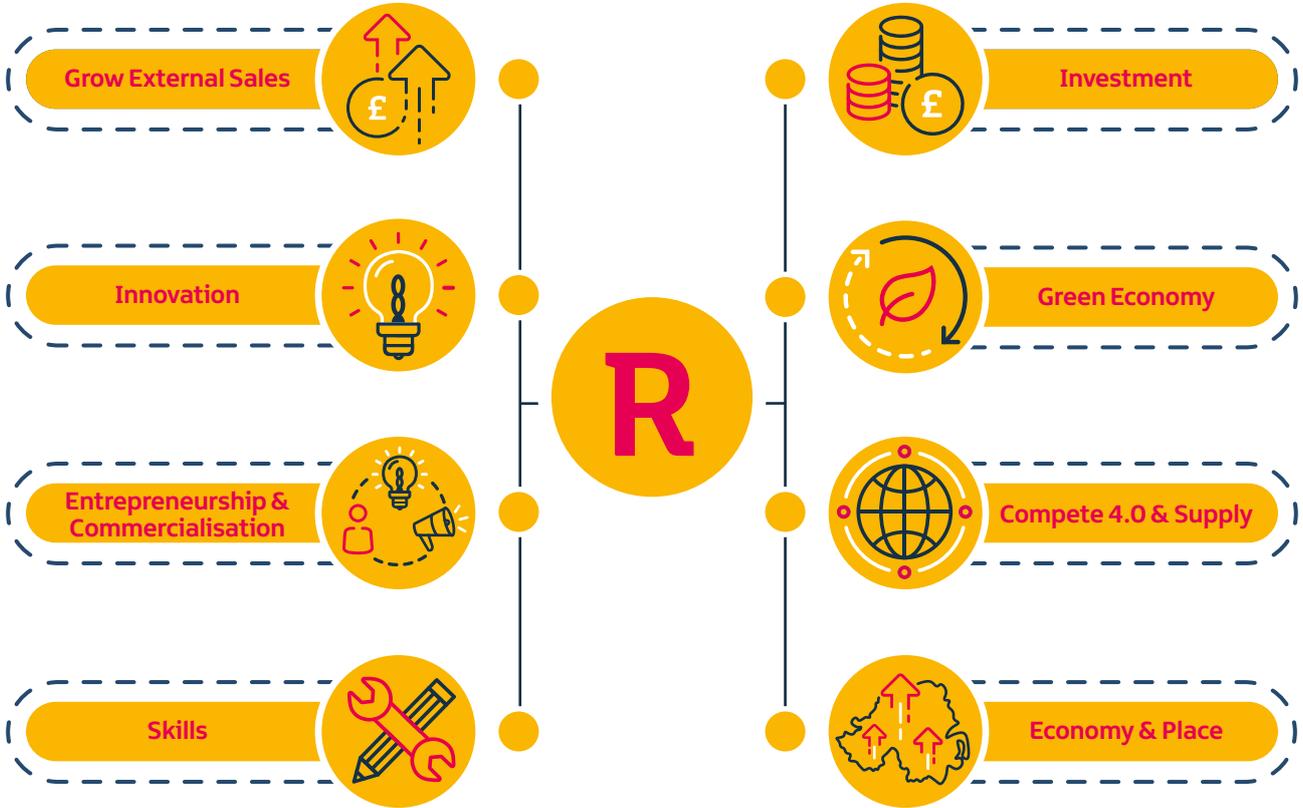
This Business Plan details the practical delivery of ongoing projects, with a series of key actions and strategic initiatives that will help deliver step-change growth right across the economy.

In developing the eight economic drivers, we have worked closely with colleagues in the Department for Economy to ensure that Invest NI are integral to the delivery of DfE's 10X Economy vision, whilst making a direct and positive contribution to DfE's shorter-term Economic Recovery Action Plan (ERAP).

The Invest NI 21/22 Business Plan will bridge the interim period between the end of our current four year Business Strategy and the development of a new longer-term strategy from April 2022 onwards, reflecting the new Programme for Government (PfG) period and further driving the 10X ambition. Invest NI will use this bridge year to transform and refresh our solutions, interventions and processes. We will look to optimise our support, addressing gaps in provision and maximising the impact of our resources and interventions. We will investigate new ways to deliver desired outcomes, through fully aligning and leveraging stakeholder and partner contributions. Internally we will transform and change, placing resources where they can make the greatest impact and directly addressing the new challenges of a post COVID world. Through this change, we will put in place the support structure and interventions needed to drive sustainable long-term growth right across the economy.

Invest NI's Executive and Board will dynamically monitor Business Plan progress to ensure the plan remains focused on changing economic and business needs and responds to changes in the external market environment to deliver the desired outcomes. Dynamic reviews will ensure that key actions are completed, Business Plan targets achieved and a positive impact generated across the economy.

This 2021/22 Business Plan is structured around eight strategic economic drivers:



These drivers reflect short-term implementation and our ambition for long-term economic prosperity. They will contribute to the trade, investment and jobs that will support our economic recovery and future success. Invest NI will work with DfE, through the 10X work-stream development groups, to ensure that our drivers, activities and actions align fully with 10X and drive our desired outcomes. Ultimately, they will help underpin the building of a shared, prosperous future for all our community and enable growth across the economy.

The key strategic elements are shown here, while the actions, associated targets, milestones and metrics for each Driver will be separately detailed in an Implementation Plan.

Our 8 Economic Drivers



Grow External Sales

'Grow External sales as if the future of Northern Ireland depends on it'

As a small regional economy, supporting our businesses to increase their sales outside NI provides the fastest and most effective way to drive economic recovery. Our aim over the next five years is to ambitiously grow external sales by £5bn, to broaden and deepen our base of exporters because Northern Ireland's economic recovery and future growth depends on it.

We will proactively support over 200 NI businesses annually to sell more in existing external markets, diversify into new markets and build their international sales & marketing capability through export health checks, skills development programmes, international trade event participation and 1:1 support. We will leverage the in-market expertise of our expanded overseas office network, our diaspora and our strong international partnerships, to showcase Northern Ireland business globally and to win new external sales vital to our economic recovery and future growth.

A key transformational goal will be determining the pathway to achieve the £5bn external sales ambition. Our aim is to identify potential cluster, technology and geographic market segments which will combine to provide these additional £5bn external sales for NI.

Success will require delivering the various actions and support programmes outlined in the Implementation Plan (Annex A) to identify key external markets and sales opportunities and provide targeted support to businesses to exploit these.



Innovation

'Build an 'Obsession for Innovation' and ensure diffusion to SME's right across our economy'

As outlined in 10X, innovation will be the primary catalyst to boost competitiveness and fuel growth in NI over the next decade. We will drive innovation through building R&D awareness, actively encouraging and supporting innovation across all levels of NI's business base and directly supporting £60m-£200m investment in R&D for the development of world-class processes, products and services.

We will focus on emerging high value, high growth markets and sectors and identify some landmark 10X innovation projects. Targeting support towards key strategic projects in frontier technology areas where Northern Ireland can become a global leader and drive future export growth. This supports the objectives and aspirations set out in the 10X vision. The diffusion of innovation across the business base is key to ensuring adoption by all.

Invest NI will work to build the awareness and benefits of innovation utilising the Innovate NI brand and marketing activities. We will work proactively with innovation partners and stakeholders to map and maximise available innovation funding, signposting and supporting businesses to successfully apply for national innovation support schemes.

By supporting innovation from "Ideation to Commercialisation", we will inspire and support more businesses to develop globally competitive, value-added products and services which can boost their export growth and accelerate Northern Ireland's economic recovery.

Identifying the Top 10 strategic R&D&I projects, and then successfully delivering them, will be the single biggest key success factor in realising our innovation ambition. These strategic projects will support strong collaboration between firms of all sizes, leveraging academic and research excellence, securing funding from outside NI, utilising new and emerging technologies and enabling the building of strong clusters as identified within 10X. Key projects are actively being progressed with one notable strategic project already successful in securing significant external funding.

Diffusion of innovation to all SMEs across NI will be the primary 10X delivery tool to dramatically expand the impact of innovation across the economy. This will be secured through a comprehensive and concerted suite of activity, support programmes and promotion, from Innovation Vouchers through to Grant for R&D and Collaborative Networks. The recently refreshed Innovate NI website will be a key vehicle for raising the profile and importance of innovation and securing outreach to all businesses in NI.



Entrepreneurship & Commercialisation

‘Put ‘innovation to work’ through first-to-market Commercialisation and by building world-class Entrepreneurship’

Northern Ireland’s entrepreneurs are the lifeblood of our economy. We aspire to build and nurture a start-up and entrepreneurship ecosystem that will be the best in the UK. We will proactively engage and collaborate with our partners to provide joined-up, bespoke, wrap-around support where our start-ups, early-stage and growth businesses with the potential to scale can realise their ambitions, maximise their growth potential and flourish.

We will develop and implement a new NI wide Entrepreneurship Action Plan that will assist the capability of our businesses in the key areas of leadership, innovation, sales & marketing and commercialisation. Given the transformation needed to dramatically ramp up NI’s entrepreneurship performance, we will convene, engage and work with the whole ecosystem of entrepreneurship and enterprise partners to set NI on a pathway to best in class. We will exploit all available funding sources to support our entrepreneurs on their business growth journey and have secured over £5m funding through ERAP to expand our reach to deliver and accelerate support to micro and small businesses across the economy.



Skills

‘Build the skills businesses need tomorrow and employees need today’

DfE’s 10X economy vision recognises that the skills and agility of our workforce are critical in driving business competitiveness, enabling growth and attracting and supporting investment. It is one of the Northern Ireland economy’s key assets and needs to be continuously strengthened. We will support the creation of a NI wide employee culture of lifelong learning, upskilling and reskilling for the future, thus reducing the skills imbalance in our workforce, raising productivity and creating more higher-paying jobs.

We are proactively collaborating with our partners and stakeholders across government, education and industry to identify and better understand skills needs and gaps across Northern Ireland and ensure the skills ecosystem and support is aligned and integrated to serve the needs of industry and provide businesses with the people and skills necessary to deliver their future growth ambitions.

There are clear transformational opportunities for NI in a number of clusters and technology areas, where access to future skills needs will be the single biggest determinant of future success. We will use Invest NI's unique forward view of economic potential in different clusters, and live real-time feedback from industry and businesses. We will support the delivery of departmental policy and our partners' skills building programmes to minimise the future gap between skills needs and skills availability.



'Attract and stimulate Investment & Job creation as a core building block for recovery'

To realise the economic vision outlined in the recent DfE '10X Economy' vision, Invest NI will work with business and partners to develop ambitious, industry-led sector strategies that will maximise and exploit the opportunities presented by our City and Growth Deals, the new digital revolution, global supply chain realignment and deliver transformational growth for our economy.

These sector strategies will focus on those core technologies, clusters and market niches outlined in 10X where Northern Ireland's existing world-class capability can be enhanced to enable us to become global leaders and include:

- Digital, ICT and Creative Industries, e.g. Cyber, AI & Data
- Advanced Manufacturing & Engineering, e.g. Composites, Materials Handling
- Agri-Tech, e.g. Food Chain Security & Traceability
- Life and Health Sciences, e.g. Personalised Medicine
- Fintech & Professional Services, e.g. Banking, Legal

A strong partnership approach across industry, academia and across our economic development ecosystem will ensure these strategies are integrated, innovative, future-focused and action-oriented to deliver ambitious growth in global markets.

We will strive to build a sustainable investment ecosystem from domestic expansion, high quality new Foreign Direct Investment and follow-on expansions by attracting and stimulating investment across Northern Ireland. We will commit to invest **£31m-£49m** to create an additional **4,000 – 6,000** jobs across a range of opportunities that will add **£80m - £120m** annually in additional wages and salaries. We will maximise Northern Ireland's strong Inward Investment proposition, leverage the operational resilience of our business base and exploit fully any investment opportunities that emerge in a post COVID and post EU Exit economy.

We have built a strong and active pipeline of potential investment projects and we will actively convert the known pipeline with a real sense of urgency as markets reopen and travel restrictions reduce. Separately we will actively deploy our overseas network with a strong 2021 sales pitch for Northern Ireland, selling the benefits of business in NI on the global stage from Asia to the Americas, including World Expo.

We will exploit evolving cross-sectoral market opportunities, identifying and targeting investment in key companies and sectors of strength including life sciences, digital technologies, professional services and advanced manufacturing that offer the best long-term sustainable inward and outward growth opportunities.



‘Drive Green Economy growth in NI and maximise zero carbon opportunities’

The COVID-19 pandemic and continuing challenges caused by climate breakdown highlight a global urgency to reduce our carbon footprint and for business to adopt environmentally responsible and sustainable business practices. This creates significant new global market opportunities in a fast emerging, high growth sector. To enable NI to benefit fully from this green revolution, Invest NI is committed to intensify and focus support to industry to accelerate progress towards net zero and to help business to identify and respond quickly to this window of new market opportunity.

We will work directly with businesses to support them to develop new Sustainability Plans to identify and implement specific actions to reduce their carbon footprint and improve their environmental sustainability.

First, we will commission and deliver external research to validate NI’s specific Green Economy capability and align this to the identified, emerging, addressable market opportunities. Armed with this evidence, we will develop an ambitious Green Economy sector strategy to support NI business to optimise their strengths and capability in areas such as hydrogen, offshore wind and transport and to address the non-energy green economy.

We have reprioritised sector team resources and will appoint a new Green Champion to oversee and drive the effective implementation of our new strategy and actions and to ensure we maximise emerging Green Economy opportunities.

We will lever our sector expertise to maximise the impact from NI’s new Energy Strategy, Green Growth Strategy and the 10X Economy vision, placing sustainability and the Green Economy at the heart of economic recovery

and growth for the next five years. We will ensure optimal delivery of our energy and resource efficiency services to accelerate industry progress towards net zero, increase business competitiveness through embedding decarbonisation and sustainable practices and leveraging £4 for every £1 of our support.

We will focus and adapt our solutions to target and grow our Green Economy and Clean Tech sector, identifying emerging market opportunities in areas such as wind energy, energy storage, hydrogen technology and carbon capture where NI has distinct capability. We will increase our resources to support business to innovate and to maximise external sales in this fast growing global market.



‘Seize ‘now and new’ global manufacturing opportunities to drive competitiveness, digital transformation and embed Northern Ireland manufacturing companies in global supply chains’

We will exploit sectoral and collaborative supply chain realignment opportunities including re-shoring, near-shoring and local sourcing, using our international network and domestic expertise. We will support the economy and businesses to re-purpose and pivot to exploit opportunities in new market segments.

We will support the establishment and development of a new Makers Alliance to bring the voice of industry direction to collective manufacturing investments. This transformative alliance will focus the deployment of Government and Private Sector resources, including the significant City and Growth Deal funding, to bring true benefit to the ambitious manufacturing sector in NI.

Through close collaboration with industry, employer bodies and stakeholders, we will utilise a blend of educational outreach, peer-to-peer learning, implementation of Industry 4.0 tools and techniques and targeted programme support to business to enhance digital capability. In line with the objectives of 10X, we will support business to adopt digital transformation business models, and embrace automation technologies, robotics, AI and data analytics to improve their long-term resilience and competitiveness and boost productivity across the NI economy.

Manufacturing competitiveness will be improved by the accelerated rollout of recent successful launches of several new programmes to improve business competitiveness and identify new opportunities. These include a new Supply Chain and Resilience Development Framework Programme, an Aerospace Diversification Programme, Process & Organisational Improvement Grant and the Productive Investment Capital Grant.



‘Develop a ‘place based’ approach to the economy and work in partnership to help deliver inclusive economic growth across Northern Ireland’

Invest NI will fully leverage its, and its partners’ resources to enable all regions, towns and cities across NI to fully participate in and benefit from economic recovery and future growth. We are actively working with our local Councils to develop regional action plans to ensure our partners have the support they need to promote and maximise their own unique capabilities at a sub-regional level and we will work in collaboration to align and integrate funding and support a place-based approach across Northern Ireland.

NI’s four City & Growth Deals will underpin the NI Executive’s ‘Place’ agenda outlined in 10X Economy by providing £1.4bn of investment to accelerate economic recovery and growth across the whole of NI. We will fully leverage our sector, commercial and technical expertise and networks to work closely with City & Growth Deals partners over the next year to secure approval for strong, industry led, commercially focused projects that will lead to the creation of over 30,000 new jobs. We will also support the establishment of a new, over-arching manufacturing body, the Makers Alliance that will set the strategic direction of the manufacturing sector in NI.

To date good progress has been made, working with City & Growth Deals partners, to develop and progress discussions and/or business cases for the various City & Growth Deals projects. We will continue to push to optimise the review and evaluation process to improve the pace of delivery. Within the next 5-10 years these City & Growth Deals projects will become catalysts for innovation and employment opportunities, an attractor of high value foreign direct investment and have in place sustainable business models that support our exporters to develop value-added products and services and achieve significant sales in external markets.

The detail behind the 8 Economic Drivers, including metrics and actions, is included in a detailed Implementation Plan. Whilst the projects and goals are clear, critical and deliverable, our ability to deliver against each in a timely fashion will be determined by wider economic factors and challenges in a volatile economic environment. Whilst deadlines for delivery are provided for each, they are difficult to predict, particularly where they require external inputs. Invest NI will, therefore, proactively monitor progress taking action to assure delivery and maximise economic impact. We have favoured ambition over caution in setting our goals.

Finally, we will use the RACI (Responsible, Accountable, Consulted and Informed) designation to outline responsibility to deliver each driver.

Programme for Government and Policy Alignment

Draft Programme for Government – 2021-26

The NI Executive is in the process of developing a new long term, multi-year strategic Programme for Government¹ using the Outcomes Based Accountability (OBA) methodology. To date, they have reviewed and condensed the outcomes that will form the basis of Government’s focus moving forward.



¹ Programme for Government is currently in draft and, as such, subject to change.

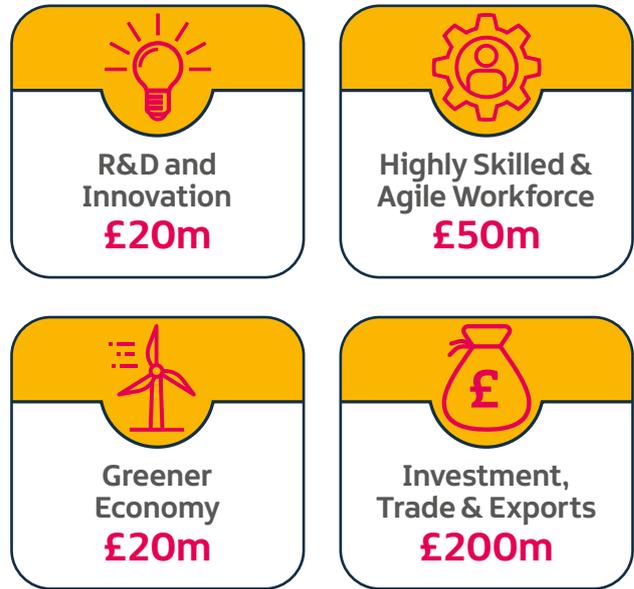
Invest NI’s Business Plan for 2021/22 has been developed fully recognising the proposed strategic framework of the next Programme for Government and, particularly, the draft nine Outcomes, outlined in the above graphic, which illustrate the kind of society the Executive wants for NI, following public consultation. Given our legislative and statutory remit, Invest NI can play a key delivery role against the following PfG Outcomes:

- Our economy is globally competitive, regionally balanced and Carbon Neutral
- Everyone can reach their potential
- People want to live, work and visit here
- We live and work sustainably – protecting the environment
- We have an equal and inclusive society where everyone is valued and treated with respect

Economic Recovery Action Plan (ERAP)

Short term, we will deliver our Business Plan actions to make a direct and positive contribution through the DfE Economic Recovery Action Plan. This will drive our recovery from the COVID-19 pandemic. We will look to fully leverage our existing interventions, and bespoke specific COVID-19 interventions, to help business stabilise and adapt as needed to seek out and exploit economic growth opportunities over the short to medium term. Along with DfE, we will stand ready and agile to further flex and adapt to any secondary economic shocks as we progress through the year and we continue to deal with the impacts of COVID.

DfE ERAP Priorities



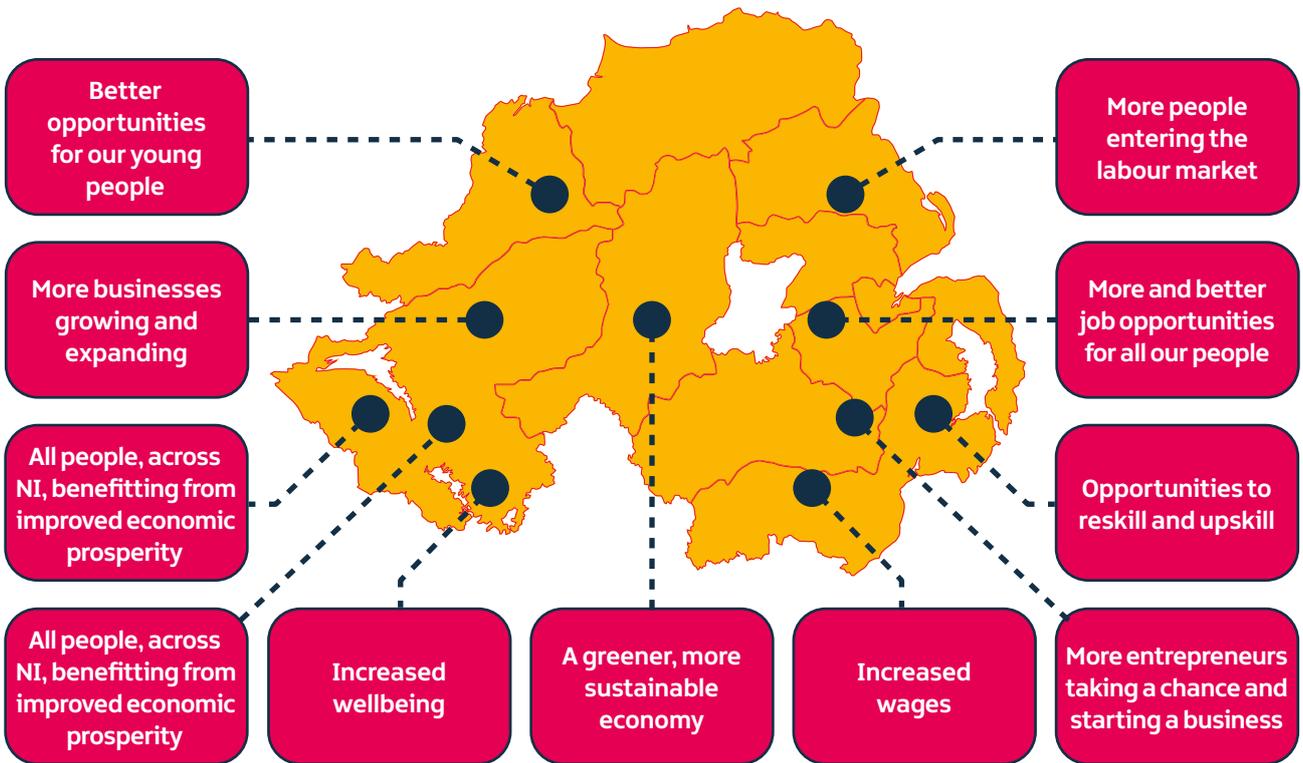
Invest NI will be responsible for the delivery of **£40m** of the **£290m** total DfE ERAP budget across these four priority areas.

‘A 10X Economy: Northern Ireland’s Decade of Innovation’

10X is an ambitious, all-encompassing vision which aims to drive economic growth through a focus on innovation, whilst achieving a fairer distribution of opportunity for all our people to benefit from. This means a Northern Ireland that has better jobs with better wages, a more flexible working environment and a better overall quality of life.

Through harnessing innovation to help develop creative ideas and methods into new products and/or services, 10X aims to deliver economic growth and transform our peoples’ way of living. In education and the workplace, this means giving our people the necessary training, reskilling and upskilling in order to be able to access opportunities within existing and future growth sectors. Through 10X, we will inspire future generations to work in and create their own businesses to become the entrepreneurs and innovators of tomorrow.

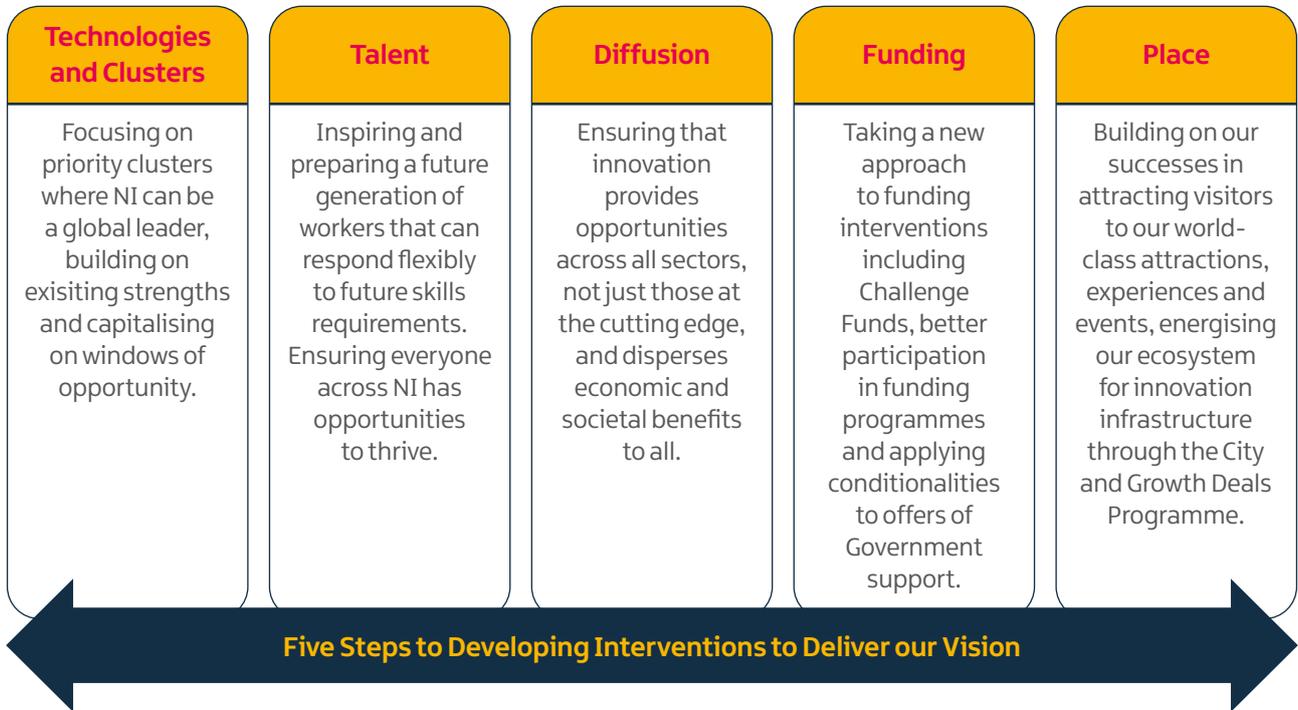
Realising a thriving and sustainable 10x economy will have a positive impact on all aspects of our region. It will enable the attraction of more visitors, and international investors to come to NI and encourage more of our talented people to stay and realise their ambitions here. 10X success will not only be visible through economic growth, but through positive impacts on wider societal, health and environmental wellbeing.



Working Together to Deliver a 10X Economy

We have worked rapidly to align our Business Plan with all aspects of the new 10X vision. Our drivers, actions and initiatives are designed to begin the change process to realise the 10X ambition. We will work closely with our sponsor Department, the Department for the Economy (DfE), across 2021/22 to accelerate this change.

5 Steps to Success



Cross-Cutting Themes

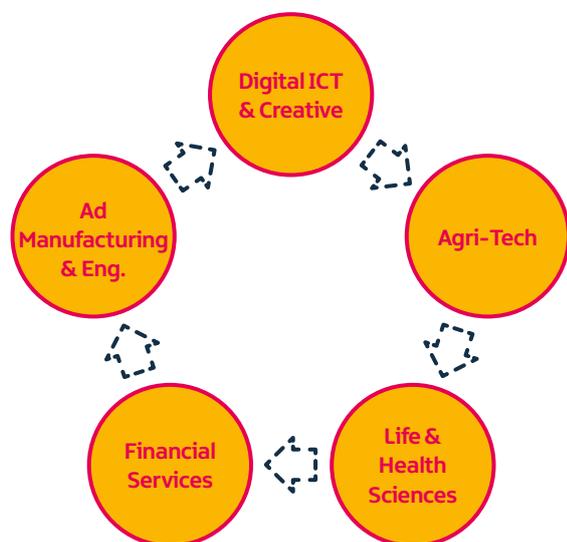
Innovation Skills/Education Business Growth
(Entrepreneurship, Start Ups and Scaling)

Trade and Investment Regional Growth
(City Deals)

Green Economy/Growth Inclusive Growth

Invest NI will collaborate on and participate in DFE’s new 10X work-streams that will lay the foundations for achieving the ambition and business growth aspirations outlined within the 10X document. These work-streams will cut across the five steps to success with Invest NI feeding into cross-cutting policy areas such as skills, priority technologies and clusters, green growth, trade, investment and innovation.

Priority Clusters



Invest NI will align its sectoral focus and initiatives with the priority technologies/clusters outlined within 10X. These are areas where NI has seen the emergence of significant capability and capacity, with good potential for high future growth. We will focus our approach to collaborate more deeply in these areas of strength to develop new products, services and ways of working.

City & Growth Deals

Accelerating the delivery of NI’s four regional City and Growth Deals is a top priority for Invest NI, DfE and the Executive as these will be catalysts for growth in delivering the 10X Economy vision and ambition. It is estimated that over £1.4bn will be invested into Northern Ireland’s economic infrastructure covering funding contributions from the private sector, local councils, UK Government and NI Executive.

The Innovation and Digital projects will be key to growing the industry base in our priority sectors and clusters identified in 10X, enhancing industry capability across all sectors while accelerating the application of new and emerging technologies. The innovation strands of these Deals support the technologies outlined within the 10X

Economy, including food supply, virtual production, artificial intelligence, robotics, advanced composites and agri-food. The Deals will strengthen and underpin the development of NI clusters to adopt these enabling technologies and will lead to an advancement in the maturity of the local Digital, Fintech, Life & Health Sciences, Agri-Tech and Advanced Engineering clusters, as identified within the 10X Economy.

Invest NI has been working closely with DfE colleagues, Councils and their partners to support the development of robust value for money, industry-led and commercially focused projects. Key to this is ensuring projects support 10X implementation, meet industry needs and deliver for City Deal partners and business.

Invest NI is supporting the Growth Deal development by advising and bringing in expertise to support the understanding and development of the specific individual projects including:

- Providing practical advice to the Belfast Region City Deal in the development of their Digital program and the establishment of new industry challenge funds
- Helping the Mid-South West members understand what is possible in Agri-Tech by accessing international best practice in industry
- Supporting the Derry Deal in the development of their innovation business cases
- Assisting the Causeway Deal in the development of their food ambitions

The projects will help to future proof Northern Ireland’s skills base, develop an enabling infrastructure, boost levels of innovation activity and accelerate adoption of digital technologies across the business base.

The successful delivery of NI’s City & Growth Deals will support Invest NI’s Business Plan objectives and the Department’s wider economic policy goals of increasing NI’s productivity, improving sectoral/cluster strengths, realising emerging market opportunities, creating more and better-paid jobs, improving our international competitiveness and enabling export-led growth.

Delivering Quality Interventions

In line with an Outcome Based reporting approach, Invest NI monitors and continuously improves the quality of its well proven interventions. We track performance against a number of key, identified, qualitative measures. Invest NI aims to continually assess its interventions to ensure they meet the needs of the economy, as efficiently and effectively as possible, adapting and flexing its interventions to respond quickly to customer needs. Across the last Business Strategy period, these qualitative measures covered the important areas of Customer, People and Culture and Processes.

The world has dramatically changed over the last 24 months. Invest NI plans to use the current financial year to review its current qualitative measures to ensure they are future ready and meet the needs of the next cycle of policy intensive development. The review will take account of wider work that is ongoing across the organisation and beyond that is likely to impact qualitative performance, including, for example:

- PfG Outcomes Work;
- Launch of DfE's new vision 'A 10X Economy: Northern Ireland's decade of Innovation' strategy;
- People Strategy workstreams;
- Get Fit; and,
- Customer focus groups and feedback.

Drawing together this work will enable Invest NI to put in place a succinct, refreshed set of qualitative measures that can drive improvement into, and beyond, the new Business Strategy period.

Financial Resources

Invest NI continues to operate within a constrained public sector finance environment with strong competition for government resources. We continue to work closely with DfE to address ongoing budgetary challenges to fund the specific actions detailed in our Business Plan, the DfE Recovery Action Plan, 10X, the NI Executive's Programme for Government and our existing contractual commitments.

The NI Executive, through the Department for Finance, has allocated £40m of ERAP funding to Invest NI, along with the organisation's wider allocation. Invest NI will optimise its funding to deliver against its existing legal commitments to businesses, whilst also providing specific COVID-19 and EU Exit interventions and wider economic development activity to support jobs and boost business competitiveness. It is absolutely critical Northern Ireland's businesses have the necessary support to weather the current difficulties and position themselves to take full advantage of the opportunities presented when we return to more normal economic conditions.

Invest NI 2021/22 Budget Allocation

The Invest NI Budget Allocation, outlined in the table below, summarises the latest 2021/22 position. Where possible these consolidated figures have been allocated against each of the 8 Drivers of the Invest NI Business Plan 2021/22.

It is important to note that as we progress through the year, Invest NI's budget allocation will be subject to change as budget bids and monitoring rounds are agreed and allocated. In addition, it may also be subject to change if further emergency funding measures are considered and introduced. Therefore, the allocations below are a snapshot at a specific point in time and are provided for indicative purposes only.

Invest NI 2021/22 Budget by Recovery Driver

Recovery Driver	ERAP ¹ £'000	Resource £'000	Capital £'000	ERDF £'000	NIO International £'000	Salaries ² £'000	Admin £'000	Totals £'000
External Sales	-	10,871	769	-	3,000	5,141	-	19,781
Innovation	3,900	14,829	34	21,200	-	3,953	-	43,916
Entrepreneurship	2,623	3,047	184	-	-	325	-	6,179
Skills	1,500	4,652	-	-	-	1,170	-	7,322
Investment	15,887 ³	8,622	8,786	16,667	-	7,509	-	57,471
Green	1,000	1,518	647	-	-	599	-	3,765
4.0 Compete & Supply	14,430	125	5,303	-	-	1,080	-	20,938
Place - Regional Balance	-	2,904	801	3,800	-	2,384	-	9,889
8 Drivers Totals	39,340	46,570	16,524	41,667	3,000	22,161	-	169,262
Unallocated to Drivers:						11,461	4,960	16,421
Communications		4,133	184					4,317
BSDL Interest/Capital		1,029	218					1,247
Strategy		591	-					591
HR, L&D, Contract mgt		151	57					208
Board, CEO & ELT		38	-					38
Finance and Operations		1,956	1,666					3,622
Total Budget	39,340	54,469	18,649	41,667	3,000	33,622	4,900	195,707

¹ Economic Recovery Action Plan allocation includes £27.3m Resource and £12m Capital.

² Based on current staff in post on HQ payroll. International staff costs included in resource budget

³ Whilst this 15,887 is primarily targeted at employment-related interventions under the Investment Driver, it will make a significant secondary contribution towards the 'External Sales' and 'Place – Regional Balance' drivers.

Delivery Risks

The COVID-19 pandemic continues to have a major economic impact and uncertainty remains over the successful delivery of the full 2021/22 Business Plan. Yet, to deliver the vision within 10X Economy Invest NI has set ambitious aspirations and actions and short-term delivery targets to kick-start transformative growth across the economy. We recognise the significant environmental challenges and unpredictability we face this year as well as the stretch on our people and finance resources. In line with our Risk Management Strategy and Policy, Invest NI took a systematic and proactive approach to identifying and articulating the risks

associated with the pandemic, and developed a specific COVID-19 risk register. At the end of 2020, an exercise was completed to merge the COVID-19 risk register with the Corporate Risk Register.

The most significant risks that will continue to have the potential to impact on our ability to deliver against the 2021/22 Business Plan, are detailed in the table below. These risks are regularly reviewed and assessed by our Executive Leadership Team and Board as part of our ongoing risk management arrangements.

Risk	Potential Impact	Mitigating Actions
Threat of severe economic downturn as a result of COVID-19 pandemic. COR034	Potential for significant economic development downturn with major job losses.	Immediate mitigation measures have comprised several rounds of emergency funding directed at different businesses to ensure short-term survival. Plans have been published to address economic impact with the DfE Economic Recovery Action Plan (ERAP) and to extend furlough scheme into September 2021, which can help mitigate economic impact. Longer-term mitigation will require the successful implementation of our Regionally Focused ERAP interventions (Regional ERAP) and business plan to help protect and stabilise employment, target and deliver better jobs, to deliver place-based investment and a greener economy.
Lack of agility in adjusting Invest NI strategy and solutions to address the impact of COVID-19. COR037	If Invest NI is not sufficiently agile to adjust its strategy and solutions, redirecting resources and fails to demonstrate thought leadership, it could fail to contribute to the economic recovery.	Invest NI has developed a COVID-19 Recovery Plan and associated actions in direct response to the changing economic environment and in active consultation with businesses and stakeholders. An initial set of strategic actions, indicative targets and milestones are included as part of the Business plan for 2021/22. Invest NI has shown agility throughout 2020/21 in adapting its existing Business Strategy and re-prioritising its resources in response to the pandemic. We will continue to demonstrate our agility in the implementation of our business plan and our ERAP interventions, by ensuring we flex these actions to ensure they deliver impact for the whole economy and truly enable the transformation and vision outlined in 10X.

Risk	Potential Impact	Mitigating Actions
<p>Uncertainty over the UK's Exit from the EU and the operation of the NI Protocol.</p> <p>COR019</p>	<p>The EU Exit transition period ended on 31 December 2020. As discussions continue and we await further guidance from UK Government, uncertainty remains for NI businesses in adapting to the new NI protocol procedures. There remains a risk of an adverse impact on NI levels of external sales and FDI.</p>	<p>Guidance on the NI Protocol was only agreed shortly before the end of the transition period date. Business had insufficient time to prepare and there remains ongoing issues with new systems and the operation of the Protocol. A number of decisions also remain outstanding.</p> <p>Invest NI continues to:</p> <ul style="list-style-type: none"> collaborate closely with DfE to deliver the economic policy responses required to assist businesses to adjust to new economic conditions and identify, develop and implement measures to support business develop and deliver relevant messaging (primarily via digital platforms) to ensure that businesses in NI adjust to new trading arrangements and the operation of the Protocol work, through our suite of supports to ensure that both capacity and training issues continue to be addressed work closely with colleagues in DfE/NI Executive and UKG departments and Committees (including BEIS, HMRC and NIO) to resolve outstanding issues and operational difficulties with the new arrangements identify those sectors and business profiles that would benefit from being in NI and deploy a robust 'investment pitch' to attract them feed into preparatory analysis on bilateral agreements to support cross border trade in services work closely with our partners (including Councils, business organisations and key stakeholders) to influence policy (where necessary) and ensure that all NI businesses are aware of post transition period arrangements
<p>Risk of insufficient skills availability in labour market to meet demands of local companies. Potentially exacerbated by failure to recognise changes in skills and employment landscape as a result of COVID-19.</p> <p>COR008</p>	<p>Insufficient skills availability to meet demand of local companies will:</p> <ul style="list-style-type: none"> impact on productivity of indigenous and established companies; impact on ability to attract new inward investment to NI; impact on established companies in key sectors through skills displacement and wage inflation; and, restrict growth of indigenous and established companies. Failure to recognise changes to the skills and employment landscape will hinder Invest NI's ability to contribute to economic growth. 	<p>Collaborative approaches are in place with DfE and DfC for skills and employability support. Invest NI has promoted recently introduced supports from both departments, to the wider business base.</p> <p>Ongoing engagement continues with extensive and intensive businesses, potential new investors, Universities and DfE.</p> <p>Information is supplied to Skills Barometer to allow articulation of demand and a collaborative approach with DfE on the Assured Skills Program to create pipeline of available skills. A collaborative network is planned for each priority sector.</p> <p>Outworking of post EU Exit arrangements may present opportunities to attract FDI investment from a wider range of sectors thus minimising the sectoral impact of new first time investors into Northern Ireland.</p>

Risk	Potential Impact	Mitigating Actions
<p>Uncertainty over budget allocation. This is exacerbated by the current period of economic uncertainty that makes planning and prioritising our resources more difficult.</p> <p>COR005</p>	<p>The ongoing absence of multi-year budgets impact negatively on our ability to plan and support businesses going forward. The 2020/21 and 2021/22 programme budget includes EU funds, which will be negatively impacted by Brexit in future years. The COVID-19 crisis has also resulted in additional budget uncertainty as customers change direction in light of the business impacts of the pandemic.</p>	<p>We continue to work with DfE on the economic response and will align our budget requirements behind this as quickly as possible.</p> <p>We are engaging with DfE in submitting future year bids and supporting information to the Department of Finance (DoF). We continue to explore best use of other funding streams and are working closely with DfE on economic recovery plan bids as well as the UK Shared Prosperity Fund Pilot.</p>
<p>Failure to identify, work to and deliver against objectives that appropriately reflect PfG targets.</p> <p>COR011</p>	<p>To ensure that progress is made against known, specified objectives and targets to deliver PfG goals.</p>	<p>Joint working with the Department for the Economy has been deepened and extended in a number of areas in recent months.</p> <p>The 8 Recovery Plan drivers in the 2021/22 business plan are focused on economic recovery and will be the focus of the organisation's work in the months ahead.</p> <p>ELT monitors monthly progress against all key targets and can implement remedial actions quickly as appropriate. Quarterly Oversight & Liaison meeting with DfE includes Invest NI performance as a key agenda item. Regular performance reporting is undertaken to TEO on progress against PfG targets. Invest NI continues to liaise fully with the Executive, TEO, DfE and all other relevant stakeholders in the creation of the NI Executive's new PfG.</p>
<p>Potential for staff resourcing to be insufficient to execute Corporate Plan and meet Business Strategy objectives.</p> <p>COR027</p>	<p>If staffing levels are insufficient due to failure to fill vacancies, or the impact on staff health of COVID-19, then staffing levels in critical areas may be insufficient resulting in increased workload for other staff, breakdown of service provision and a negative impact on our ability to execute against Corporate Plan and Business Strategy objectives.</p>	<p>The HR team continues to monitor resourcing gaps and progress on the recruitment plan, flagging up any need for re-setting of priorities, thus enabling ELT to identify and agree priority resourcing for critical areas on a quarterly basis.</p>

Risk	Potential Impact	Mitigating Actions
<p>Failure to focus on changing company needs in the face of changes in the global or national economic climate.</p> <p>COR009</p>	<p>If Invest NI fails to identify changing Economy & customer needs and maximise opportunities, then it may fail to provide the appropriate level and type of support to its companies. This could result in failure to contribute to the economic recovery, failure to meet targets and the impact of current economic difficulties being greater and/or more prolonged for some companies.</p>	<p>Invest NI continues to work to identify the most significant issues facing customers, planning new schemes, or adaption of existing schemes, and liaising with DfE to agree action.</p> <p>Comprehensive training programme for customer-facing staff. New operating manual and consolidated business processes in place. Customer needs identified via regular customer surveys and regular feedback on Client Satisfaction Surveys to SMT.</p>
<p>Implementing new DfE programmes at pace.</p> <p>COR032</p>	<p>If Invest NI is required to implement new programmes on behalf of DfE at pace, including in response to COVID-19's impact, then controls may be insufficient to ensure appropriate governance standards (including failure to ensure value for money and regularity requirements are met).</p>	<p>Individual risk registers have been developed for each scheme and a Memorandum of Understanding or delivery document with DfE for each scheme has been agreed. Regular meetings of project board take place. Invest NI considers the option to pause each scheme if required or as necessary.</p>
<p>Reacting to market forces in turbulent times.</p> <p>COR039</p>	<p>If Invest NI's approval processes and governance procedures limit our speed and flexibility in developing new programmes, then we cannot be responsive to market forces in turbulent times resulting in us failing to provide businesses and the local economy the urgent support it requires in a timely manner.</p>	<p>New business programmes developed at pace in response to COVID-19's impact will be developed in line with standard product development practices. Where there is risk of processes limiting speed, programme managers will seek to escalate the issue to ELT / Departmental officials.</p> <p>During implementation of the economic recovery plan, where possible, we will adapt and flex existing programmes and solutions, to allow us to respond to business needs using tried and tested processes and procedures, rather than establishing brand new schemes.</p> <p>If any new scheme has to be developed, we will work with DfE to ensure approvals are timely. Current scheme approval parameters will also be reviewed and, where necessary, approval will be sought to amend these to provide flexibility which may be required as a COVID recovery response.</p>

Risk	Potential Impact	Mitigating Actions
<p>Impact of global events on Foreign Direct Investment (FDI) and exports.</p> <p>COR036</p>	<p>If the uncertainty generated by COVID-19, the new US administration, the NI protocol and the UK's exit from the EU continues, along with travel restrictions as a result of COVID-19, then there is potential for a negative impact on NI exports and FDI. While the FDI project pipeline remains strong, the restrictions on international travel, particularly the inability for potential investors to visit Northern Ireland, could result in projects taking longer to come to fruition.</p>	<p>Invest NI teams in key markets continue to monitor the impact of COVID restrictions, mass global vaccination programmes, the potential positive of the new US administration, EU Exit and the impact of the NI Protocol. In terms of the Northern Ireland proposition, the narrative focuses on workforce and infrastructure resilience, while opportunities to leverage the reshoring trend in new FDI sectors are also being explored.</p> <p>Although it remains an unlikely outcome, Invest NI will continue to engage with DfE on the potential for ring-fenced exemptions for international investors and inward buyers to be able to travel to Northern Ireland for discovery visits. In the meantime, we will continue to fully utilise virtual/ digital approaches.</p>

Conclusion and 10X Ambition

The eight economic drivers provide the foundations for the development of the new 10X work-streams and a mechanism to drive recovery. The actions have been developed to provide business, stakeholders and partners with the practical support needed to accelerate recovery, build resilience and take advantage of future emerging growth opportunities.

Our 2021/22 Business Plan is a 'living document' with implementation already well underway. It will flex and change as the economic implications of COVID-19 and EU Exit continue to unfold over the year and while the wider global economic outlook remains volatile and uncertain.

We also recognise that many of the actions set out within this plan are subject to the availability of future funding and people resource in this next year and beyond.

The drivers and actions outlined will enable Invest NI to play a key role in championing economic development and supporting Northern Ireland's recovery alongside our economic development partners. They will have a direct and positive impact in rebuilding, reshaping and better positioning our economy for future, sustainable growth and addressing the 10X ambition.

We recognise the critical need for transformational economic development in the dramatic new world and we will determinedly implement this plan whilst seeking the best options and prioritisation to deliver the 10X ambition.



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