

*These notes refer to the Industrial Development Act (Northern Ireland) 2002 (c.1) which received Royal Assent on 7 February 2002*

# Industrial Development Act (Northern Ireland) 2002

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## **EXPLANATORY NOTES**

### **BACKGROUND AND POLICY OBJECTIVES**

3. In November 1997, it was agreed that a review should be undertaken of the economic development support structures within the (then) Department of Economic Development (DED). Following Ministerial agreement, a Review Team was set up in January 1998, under the chairmanship of Professor Peter McKie with the following terms of reference:
  - to look at the responsibilities of the Industrial Development Board (IDB), the Local Enterprise Development Unit (LEDU), the Industrial Research and Technology Unit (IRTU) and the Training and Employment Agency (T&EA) and address (i) the effectiveness of existing arrangements, including the levels of co-operation and collaboration between the agencies; (ii) the scope for further improvements; (iii) options for re-organising delivery of services within and between the agencies; and (iv) the costs and benefits of re-organisation.
4. The Review did not consider the services provided by the Northern Ireland Tourist Board (NITB). The Review Team sought views from all interested parties in Northern Ireland and received useful representations. Most respondents to McKie endorsed awaiting the outcome of the Strategy 2010 Review and the devolution of powers to a local Assembly before any significant changes were effected. The report was presented to the Department in April 1998.
5. In tandem with the McKie Review a fundamental review of Northern Ireland's economic development strategy was announced with a view to producing a new strategy to guide Government Departments and agencies over the medium to long term. This process was specifically designed to involve a very wide cross-section of stakeholders in the local economy. The largely private sector Steering Group that was set up to direct the review established 18 Working Groups. Of these, 11 looked at specific industry sectors and were managed by the Northern Ireland Growth Challenge. The other 7 considered wider issues of significance to the economy, such as infrastructure, energy, innovation and design, and skills and education. The Northern Ireland Economic Development

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Strategy Review Steering Group's report (commonly known as Strategy 2010) was published in March 1999.

6. Alongside these activities, significant political developments were taking place, which affected the context of economic development in Northern Ireland. The Northern Ireland Assembly and the 11 new Government Departments were successfully established. On 29 June 2000 the Executive published the "Agenda for Government" which set out the Executive's priorities for action for the remainder of the financial year. One of the key issues identified was to ensure that the economic development agencies were focused on the new economic challenges. The key action identified for this issue was the reorganisation of the DETI economic development agencies.