

Regional development: A north-south opportunity —New NESC Secretariat Report

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Economic growth occurs in regions. [This report](#), written by NESC economist Noel Cahill, finds that looking at the regions across the island helps identify opportunities for collaboration, investment and growth.

The report examines the economic features of regions across the island of Ireland, north and south. It finds that there is a broad division between the north and west of the country and the south and east. For the most part the more prosperous areas are south of a line between Galway and Dundalk. Within Northern Ireland, there is something of an east–west division: the more affluent areas are clustered around Belfast. Up to 2010 regional differences in income were declining in Ireland with above average growth in the Border and West regions and below average growth in Dublin. This been reversed since then: over the period 2010 to 2018, the strongest income growth was in Dublin. Within Northern Ireland, the highest income districts are close to Belfast. Derry City and Strabane has the lowest income of any district in Northern Ireland (11.5% below average).

The report points out that both County Donegal, and Derry City and Strabane are characterised by shared economic characteristics including low income. It also highlights that this part of the border area, the North West region, has considerable potential and benefits from strong cross-border links. A formal partnership, led by Donegal County Council and Derry City and Strabane District Council has been established to advance the development of the North West City Region, an area centred on Letterkenny, Derry and Strabane.

Foreign direct investment is central to Ireland's economic development and is advantageous to the border region including the North West part where some multinationals have successful operations. The report argues that a substantial improvement in the economy of this region will require achieving a stronger performance from indigenous enterprises.

Mr. Cahill highlighted the importance of increased investment in infrastructure. The establishment of the Shared Island Fund will make it possible to realise key infrastructure projects. Substantial funding is also being provided through a new PEACE PLUS programme for Northern Ireland and the Border region in Ireland.

A revised National Development Plan (NDP) for Ireland has recently been published, and a new Investment Strategy for Northern Ireland is due to be published shortly. The NDP points to the potential for alignment of public investment north and south across several shared policy objectives. The regional development strategies in the two jurisdictions both adopt balanced regional development as a goal. There is now an opportunity for deeper collaboration to make effective use of the funding available to promote balanced regional development on the island including the border area.

NESC is undertaking further research on the challenges and opportunities for development in the North West.

Note to Editors

Read the full report [here](#).

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NESC Work on Shared Island

This report is published as part NESC's ongoing Programme of Research on the [Shared Island](#) Initiative. NESC is undertaking this work at the request of the Department of the Taoiseach to produce a comprehensive report on the Shared Island in 2022.

The NESC research will contribute to building a shared knowledge base and understanding about possible ways in which greater co-operation can emerge across a number of economic, social and environmental areas in Ireland, North and South, and also between these islands, East and West. The research will not address the constitutional question, but will focus on sustainable economic, social and environmental development issues in line with NESC's strategic remit.

Regions on the island of Ireland

The analysis in this report is based on the division of Ireland into eight regions for statistical purposes as follows: Dublin, Mid-East (Wicklow, Meath, Kildare and Louth), Midland (Longford, Westmeath, Laois and Offaly), South-East (Waterford, Kilkenny, Carlow and Wexford), South-West (Cork and Kerry), Mid-West (Clare, Tipperary and Limerick), West (Galway, Mayo and Roscommon) and Border (Donegal, Leitrim, Sligo, Cavan and Monaghan).

Northern Ireland is divided into 11 local government districts or regions: Antrim and Newtownabbey; Ards and North Down; Armagh City, Banbridge and Craigavon; Belfast; Causeway Coast and Glens; Derry City and Strabane; Fermanagh and Omagh; Lisburn and Castlereagh; Mid and East Antrim; Mid Ulster; and Newry, Mourne and Down.