

11. CHRISTCHURCH CITY COUNCIL INTERNATIONAL RELATIONS POLICY



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PURPOSE OF REPORT

1. The purpose of this report is to bring to the Council for adoption an International Relations Policy Statement for the Christchurch City Council.
2. The policy statement has been prepared to provide the Council with a framework to expand the scope of its existing international relations programme, currently based on sister cities relationships, which will enable the city to be more innovative and effective in exploiting opportunities for economic development, for learning from international best practice, or for increased cultural understanding.
3. By placing a greater emphasis on economic development, the policy statement aligns the international relations programme with the Council's draft Strategic Directions. It identifies five categories of relationship with differing objectives, levels of commitment from the city, management styles, and review processes, and defines the roles of the Council and other organisations in these relationships.

STAFF RECOMMENDATIONS

It is recommended that the Council:

- (a) Adopt the attached International Relations Policy Statement.
- (b) Note that a business plan for the international relations programme, that will set out how the policy statement will be given effect and how its success will be measured, will be developed by June 2006.

BACKGROUND ON CHRISTCHURCH CITY COUNCIL INTERNATIONAL RELATIONS POLICY STATEMENT

4. International links between cities have the potential to enhance cultural understanding, promote social and educational exchange, and provide opportunities for economic development.
5. In the past, the Christchurch City Council's international relations programme has focussed on our sister cities relationships with Adelaide, Australia; Christchurch, England; Gansu, People's Republic of China; Kurashiki, Japan; Seattle, USA; and Songpa-Gu, South Korea. These relationships, which have been in existence for between 10 and 30 years, have provided opportunities for cultural, people-to-people, education and sporting exchanges, and the committees that manage the relationships have developed considerable knowledge and experience in international relationships. However, sister cities relationships have not generally enabled the city to make the most of international opportunities for investment, trade, the sharing of best practice and other knowledge, and exchanges in the fields of technology and tertiary education.
6. The city has also established a range of other international connections, through the development of the Intercultural Assembly, support for local cultural celebrations and commemorations, and involvement in international organisations:
 - Sister Cities International and Sister Cities New Zealand provide useful information on developing and maintaining sister city links and up-to-date information on cities seeking new relationships.
 - The Japanese Centre for Local Authorities in International Relations (CLAIR) and the Korean Local Authorities for International Relations (KLAFIR) bring local government fact-finding delegations to Christchurch to seek best practice expertise.
 - The Bertelsmann Foundation, which is based in Germany, is concerned with developing model solutions to global social problems. The Christchurch City Council won the Foundation's Local Government of the Year award in 1995.
 - The Asia Pacific Summit is a local government forum that meets biennially to consider global issues and the role of local government in dealing with them. Cities involved in the forum include Brisbane, Seattle, Chongqing (China) and Christchurch.
 - The Mayors for Peace Network aims to achieve the global abolition of nuclear weapons. It is a fast growing organisation with an increasing membership of mayors from around the world. Christchurch is regarded by the organisation as a lead city in supporting abolition of nuclear weapons. Mayor Garry Moore is a Vice President of Mayors for Peace.
7. In 1999, Christchurch City Council entered into an initial agreement with Wuhan, People's Republic of China, to explore possibilities for economic links between the two cities. This relationship is different from a traditional sister city relationship, in that its purpose is economic opportunities for both parties. Relationships have been established between agencies in both cities and there are exchanges in the areas of education, media and technology.
8. In September 2000, the Council agreed a Strategy for Sister Cities. The 2000 Strategy proposed three new categories of relationship, in addition to sister cities relationships, with different objectives, levels of commitment from the city, management styles, and review processes. Although the new categories were approved, the strategy effectively focussed only on current relationships, and did not determine a way forward.

DRAFT POLICY STATEMENT

9. Both the Government's Growth and Innovation Framework and the Canterbury Regional Economic Development Strategy recognise the importance of city-to-city links to economic growth (see paragraphs 14 & 15, below). The Council's draft Strategic Directions for the 2006-16 LTCCP also stress this aspect of international relations. The International Relations Policy Statement now makes explicit that the Council intends to refocus its international relations programme to leverage greater economic, cultural and social advantage for the city. The Policy Statement sets out:

- the principles on which the city's international relations programme will be based;
 - the links to the city's Community Outcomes and the Council's Strategic Directions, and other key strategies; and
 - the different types of relationships that the city will pursue.
10. By June 2006, staff from the Council (Public Affairs and Strategy and Planning) and Canterbury Development Corporation will develop a business plan for the international relations programme. The plan will set out how the policy statement will be incorporated into existing and new relationships, how these relationships will be resourced and managed, and how their success will be measured.

KEY ISSUES

11. There are a number of key issues to be addressed within the draft International Relations Policy Statement and the business plan that will follow next year.
- **The need for a range of different types of relationships:** Identifying a range of relationships assists in clarifying the objectives of the relationships and the resources required to support and develop them. Different types of relationships will attract commitment from targeted community and business partners and will enable well defined approaches to achieving outcomes.
 - **The introduction of relationships based on economic development:** Relationships focussed specifically on economic development offer Christchurch greater opportunities in investment, trade, technology and educational exchange. These initiatives will enable the city and region to access government support, and will also attract the support of businesses and economically-focussed organisations. Economic development relationships will require a different approach from present styles of relationship.
 - **Resourcing:** In the short term, existing International Relations resources will be realigned to reflect the change in the programme's focus. An extension of the programme to significantly increase the Council's commitment to economically-based relationships would require additional resources. Resource requirements will be identified on a relationship-by-relationship basis, in line with the proposed outcomes of the individual relationship. Opportunities to access funds from other sources such as the Government's Economic Development Fund, other central government agencies and participating organisations will be explored.
 - **The management of relationships:** The Christchurch City Council and Canterbury Development Corporation will work together to ensure that relationships are appropriately resourced, and processes, business plans and timelines are coordinated. The Christchurch City Council will take a leadership role in ensuring that international opportunities are capitalised on in a professional, strategic and well-managed way. That role will focus around civic responsibilities and protocol. As the economic development arm of the Christchurch City Council and the region, however, the Canterbury Development Corporation will be actively involved in the process, and collaboration between the two organisations will be transparent, strategically-focussed and coordinated.
 - **Review periods and processes:** All new relationship agreements will incorporate review periods and criteria. These will ensure performance of each relationship against the terms and conditions under which it was developed. Should a review indicate a relationship is no longer effective for both parties, the parties could agree to terminate the relationship. Present relationships do not have review periods or sunset clauses.
 - **Criteria for new relationships:** New relationships will align with the Community Outcomes and Council's Strategic Directions. Additional criteria will ensure economic development relationships we choose will have significant alignment with government strategy and therefore the opportunity to leverage funding.

- **Existing sister city relationships:** The historic sister cities connections will always play a very important role in the process of internationalisation. Existing relationships will not be pushed aside, but will be considered in terms of their cultural and social value and resourced accordingly. A review of existing relationships will determine future status and resourcing. It is likely some relationships will receive reduced Council support.

12. On adoption by the Council of the International Relations Policy Statement, appropriate sectors of the wider community will be consulted to assist in identifying new relationships.

LINKS TO COMMUNITY OUTCOMES, STRATEGIC DIRECTIONS, AND KEY COUNCIL AND GOVERNMENT POLICIES AND STRATEGIES

13. The draft International Relations Policy Statement makes it clear that the Council's international relations programme will contribute most strongly to achieving three of the nine Community Outcomes - A Prosperous City, A City of Lifelong Learning, and A City of Inclusive and Diverse Communities. The Policy Statement also reflects the priority given to the economic objectives of international relations in the Council's Strategic Directions, while recognising that international relations also contributes to the Council's goals and objectives relating to cultural identity and diversity.

Prosperous Economy Goal 1:

Develop business and other links to promote economic development that is consistent with the needs of Christchurch's people and environment, by:

1. strengthening international civic relationships to provide positive business links
2. taking part in national economic initiatives
3. helping businesses in key industries to work together to become more internationally competitive.

Strong Communities Goal 7:

Celebrate and promote Christchurch's identity, cultures and diversity, by:

1. providing and supporting a range of arts, festivals and events
2. supporting cultural groups and organisations.

14. The New Zealand Government's 2002 Growth and Innovation Framework signalled a continuing focus on increasing global connectedness as a major driver of economic growth. The recent Ministry of Economic Development briefing to incoming ministers highlighted key focus areas for New Zealand. Two key areas relevant to the draft Policy Statement are:

- **Innovation and Productivity:** a desire to better identify issues affecting firms' international competitiveness and the coordination of public and private investments, to improve the probability of successful innovation and help build scale through improved linkages; and
- **Strengthening International Linkages:** finding ways, through trade, movement of people, foreign direct investment and the flow of new knowledge, to maximise the benefits of access by assisting firms to identify and develop new opportunities.

15. The Canterbury Regional Economic Development Strategy (CREDS) outlines city, regional, national and international partnerships. Two high level goals identified within CREDS are:

- to develop and maintain an enterprise culture that promotes investment, growth and innovation; and
- to become increasingly globally competitive and connected into world markets.

16. Two major regional strategies identified within CREDS that support the need for internationalisation are:
 - **Innovation, Technology Commercialisation and Globalisation:** This strategy aims to attract greater levels of foreign direct investment and corporation relocations to the region to strengthen the existing critical mass of technology companies and support services. It also seeks to develop a growing number of local technology companies able to commercialise their technology ideas in New Zealand and international markets in a sustainable manner.
 - **Primary Production – Value Chain Management – Functional Foods:** This strategy aims to increase the export competitiveness of the region's valuable foods industry.
17. Immigration New Zealand recently launched an initiative focussing on bringing skilled expatriates back to New Zealand. The key focus of the initiative is to link with the existing range of government and private sector organisations, such as “Kiwi Expats Abroad” (KEA), to provide direct links to internationally based networks to profile opportunities for expats in New Zealand.
18. Canterbury Development Corporation's priority is projects and service activity that support sustainable globalisation. They seek partnerships and alliances to gain collaborative advantage to supply larger markets and establish global relationships, to acquire and licence additional technologies, and to gain critical mass. This priority forms part of the Prosperous Christchurch Strategy.
19. The Government provides or funds significant inputs to business – particularly education and training, research, science and technology and infrastructure. Opportunity exists through CREDS and economic development agencies to work with Government agencies, tertiary institutions and large corporates to seek support funding that will enable the achievement of objectives within the new Policy Statement.

WUHAN

20. The Christchurch – Wuhan relationship initiated in 1999 (paragraph 7 above), has grown to an active commitment between economic development agencies, tertiary institutions and key businesses in both cities. Wuhan city has a desire to upgrade the relationship. The People's Republic of China in Beijing has formally agreed to the development of a strategic relationship between Christchurch and Wuhan.
21. The adoption of this International Relations Policy Statement will provide a framework for consideration of the more formalised relationship with Wuhan. Staff will provide a report in the near future outlining a proposal for a more formal Christchurch – Wuhan relationship.

FINANCIAL AND LEGAL CONSIDERATIONS

22. The reallocation of existing resources will enable the establishment and monitoring of the first three years of implementation of this policy. To supplement this funding, the Canterbury Development Corporation will apply for Government support on behalf of the Council, which will be used to support initial activities.
23. In the future, should the Council wish to significantly increase its commitment to economically-based international relationships, it will need to increase resources to support this. In the longer term resource requirements for each relationship will be identified in the development of the business plan for the individual international relationships. Monitoring of performance against the specific objectives of each relationship, as well as of the International Relations Programme as a whole, will enable the Council to evaluate the success of both individual relationships and the overall programme.

	Benefits (current and future)	Costs (current and future)
Social	The new Policy Statement provides for existing and new people-to-people exchanges to assist in breaking down cultural misunderstandings and encouraging a more healthy and inclusive community	Individual participation in social interaction is no cost to the Council.
Cultural	The new Policy Statement provides opportunities for a broader range of international connections providing for greater cultural learning.	Resources will be required to assist in some cultural exchanges. Sponsorships, grants and trust fund support can assist in meeting these costs.
Environmental	Potential for learning from best practice regarding environmental sustainability	Best practice learning will be funded from existing budgets. Any projects implemented from such learning will be funded from within or as part of project budgets.
Economic	The new Policy Statement provides opportunities to leverage greater economic opportunities for the city from its international relations programme.	Increased resources will be required should the Council decide to become more active in developing economically-focussed international relationships.

Extent to which community outcomes are achieved:

Primary alignment with the following Community Outcomes: A Prosperous City, A City of Lifelong Learning, and A City of Inclusive and Diverse Communities.

Also contributes to achieving the remaining Community Outcomes.

Impact on the Council's capacity and responsibilities:

Present resources will be realigned to deal with the changes proposed. Existing relationships will be reviewed and it is expected some will be reduced in status and receive less resources accordingly.

Effects on Maori:

Consultation processes to date relate to the internal CCC and CDC management process for international relations, and as a result Te Runanga o Ngai Tahu has not been consulted. It will be consulted as part of the broader process when agencies within the city are approached for input to future relationships.

Consistency with existing Council policies:

The International Relations Policy Statement brings the Council's international relations programme more fully into alignment with the Council's draft Strategic Directions for 2006-2016, and clarifies its contribution to achieving the Community Outcomes.

Views and preferences of persons affected or likely to have an interest:

Canterbury Development Corporation staff have had input to this report and support the need to develop an International Relations Policy for Council. Sister City Committees have been informed of a desire to advance Internationalisation and are supportive of the opportunities this may mean. They are keen to see economic opportunities develop within their relationships, with the support of Canterbury Development Corporation.

Other relevant matters: