

Assessing the Benefits of Auckland City Council's International Partnerships

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Executive Summary

The international relations team from Auckland City Council is responsible for managing Auckland's eight international partnerships and related programmes. The main functions and roles of the international relations team are:

- managing international partnerships and their associated programmes and activities, including inbound and outbound delegations
- organising study visits on a wide variety of topics for international delegations
- supporting the mayoral office with visiting dignitaries
- investigating new opportunities to enhance Auckland's international profile through a variety of projects, events and activities.

Auckland City Council currently has international partnerships with eight cities: Brisbane, Busan, Fukuoka, Guangzhou, Hamburg, Los Angeles, Shinagawa and Tomioka. We have analysed the impact of these partnerships and other programmes run by the international relations team for the 5 year period ending March 2007. We estimate that, in aggregate, the international relations team facilitates an additional **\$55 million** of GDP to the Auckland city economy each year through its various initiatives and programmes¹. Further social and cultural benefits exist because of the partnerships, however as these are not quantifiable, they are not included in the above figure.

The international relations team base international partnership programmes on six key themes:

1. Best practice: improving our capability

"Auckland is a dynamic, international city. Being able to exchange new ideas and successful experiences with our international partners is of significant benefit to Auckland. Brisbane and Hamburg share commonalities in waterfront development projects, ongoing urban design challenges and growing populations. Busan, Guangzhou and Fukuoka are important partners for developing economic and cultural links with Asia."

John Duthie, General Manager City Development, Auckland City Council

2. Business development: supporting initiatives and opening doors

"International partnerships are helping Auckland develop into a world class city and region. As a chamber, we know these partnerships work. They have provided accelerated access and opened doors into key markets."

Michael Barnett, Chief Executive, Auckland Chamber of Commerce

"The sister city relationship with Guangzhou is of significant benefit to Aucklanders wanting to do business in China; enabling them to be yards ahead in terms of opportunities at the Canton Fair. The relationship is a valuable asset for Auckland city".

Victor Percival, Auckland – Guangzhou 2020 Committee

¹ This figure represents only the channels that we were able to quantify, namely education, tourism and avoided best practice costs.

3. Tourism: showcasing our great city to the world

“Sister city relationships deliver material economic returns for partners and stakeholders. Cross promoting each other’s cities as visitor destinations is one such opportunity. Exchange of destination marketing expertise and experience enhances the market intelligence of both cities.”

Graeme Osborne, Chief Executive, Tourism Auckland

4. Education: empowering our youth and supporting the education sector

“Auckland’s sister city relationships are beneficial to the schools in the region; not only from an economic perspective but also in terms of providing our students with the opportunity to participate in a variety of student exchanges and study abroad programmes.”

Esther Somers, Manager, Study Auckland

5. Culture and sport: getting the community involved

“We have been involved with sister city tourist programmes and strongly believe this is very important to us for two reasons; one being cultural exchange, and the other being of tourism benefit to the city. When visitors return to their home country, they talk with their family and friends about their good memories. This can be the best possible advertising for the city involved.”

Kiyomi Gunji, Chief Executive, Southern Travelnet and Executive Member, Japanese Society of Auckland

6. Global connectedness: enhancing our reputation

“The sister cities programme provides good opportunities to engage at the city level with important partners of New Zealand. Municipal relations help underpin wider relationships between New Zealand, China, Japan and Korea. Exchanges in both directions provide opportunities for high-level engagement; supporting business interests, including education and tourism; promoting culture and values; and sharing approaches to policy issues facing municipalities.”

David Taylor, Director North Asia Division, Ministry of Foreign Affairs and Trade

“Through relationships developed in conjunction with Auckland City Council’s link with Shinagawa and Guangzhou, Lynfield College has been able to enhance its international programmes - enabling its students, teachers and community to be better equipped to thrive in an inter-connected world.”

Steve Bovaird, Principal, Lynfield College

The economic benefits of international partnerships are delivered through four main channels: education, tourism, best practice, and trade and investment.

Education benefits are generated by foreign fee-paying students that (a) originate from international partner cities; and (b) would not have studied in Auckland city in the absence of the relationship. The economic benefits are generated mainly by tuition fees and living costs.

Tourism benefits are generated through two distinct channels:

1. Net visitor flows attributable to international partnerships generated by delegations, exchanges and other visits. Auckland city is a net beneficiary of these visitor flows. This means that visiting delegations generate more visitor nights in Auckland city than delegates from Auckland city generate overseas.
2. Visitor nights generated by students who came to Auckland city because of an international partnership and subsequently returned as tourists *plus* visitor nights generated by the friends and relatives of these students.

In both cases, these tourists spent money in Auckland city as a result of the international partnership. This expenditure generated additional GDP and employment.

Best practice benefits are also generated through two channels:

1. Auckland City Council avoids some consultancy expenses by learning directly from international partners. Council would not have had free access to this information in the absence of its international partnerships.
2. Delegations from cities that Auckland does not have an international partnership with come to learn from Auckland City Council and pay consulting fees to do so.

Trade and investment benefits are generated through Auckland city businesses gaining greater access to, and credibility in, international partner markets. This degree of access would not otherwise have been possible. International partnerships allow Auckland city businesses to connect more effectively with foreign buyers and sellers, often at a higher level than would otherwise be possible.