



**Deutsche Gesellschaft für Internationale
Zusammenarbeit (GIZ) GmbH**



Innovative Local / Regional Economic Development and Trade Promotion

(RED TRADE)

The last two decades of liberalisation and globalisation of trade have been accompanied by an increasing pressure on localities, regions and countries to catch up with the global changing circumstances. Local and regional economic development (LRED) is a prerequisite to improve the competitiveness of businesses and locations. It sets the basis for the production of competitive products, a support infrastructure, skilled labour, services, and innovation. With a thriving market orientation at the local level, regional integration and global trade are easier to reach. Private businesses, private and public sector institutions as well as politicians are taking over a stronger role in economic promotion. The clear incentive and motivating force has to improve or at least stabilise their role in the globalised market.

Innovative local/regional economic development and trade promotion (RED TRADE)

In major industrial sectors direct export is no longer a way into the markets of industrialised countries but rather by integrating into work-shared value added chains. Here, the promotion of economic development can give support by reducing regulatory processes, by policies to assist in the founding of enterprises in innovative industries, by attracting enterprises to set up business targeted, as well as by the integration of local companies into global production

and value added chains. The GIZ International Leadership Training (ILT) on “Innovative local/regional economic development and trade promotion (RED TRADE)” aims at building up capacities in private businesses, local and regional consultancy and service providers, economic development or urban and regional planning agencies and related public service or research institutions to draw up and implement regional development concepts.

Innovative Local / Regional Economic Development (LRED) and Trade Promotion (TP) in Changing Economies

LRED and TP as a prerequisite for successful regional and world market integration

The last two decades of liberalisation and globalisation of trade have been accompanied by an increasing pressure on localities, regions and countries to catch up with the global changing circumstances. Local and regional economic strategies as well as regional integration processes have gained increasing importance. It demonstrates: Globalisation requires local and regional action! In economic terms it includes the promotion of clusters, value chains, a better coordinated business enabling environment, and services and support institutions that cooperate as well as compete with each other on quality aligned on the objective to increase competitiveness. In the last 20 years especially in thriving regions, private businesses, private and public sector institutions as well as politicians took over a stronger role in economic promotion. The clear incentive and motivating force was to improve or at least stabilise their role in the globalised market.

Local and regional economic development (LRED) is a prerequisite to improve the competitiveness of businesses and locations. It sets the basis for the production of competitive products, a support infrastructure, skilled labour, services, and innovation. With a thriving market orientation at the local level, regional integration and global trade are easier to reach.

Germany and the EU as a conducive learning environment

Germany and the European Union (EU) have more than 50 years of experience in LRED, Trade Promotion (TP) and regional integration. Germany is one of the largest export countries in the world, products are mainly traded between the countries in the EU. This region provides the example for a successful linkage between LRED, TP and regional integration.

SMEs and institutional support environment as the backbone of the German Economy

The German economy would not have reached its present economic development without its large number of competitive small and medium-sized enterprises (SMEs) as the basis of the

export economy and of generating employment in Germany. At the same time a highly specialised network of institutions supports the business sector. It includes application-oriented research and development (R&D) institutes and universities, a network of economic development agencies with different programmes, projects and tools at the local, provincial and regional level as well as highly specialised economic service providers. Additionally, several EU economic programmes support trade and cooperation, exchange of experience and innovation across borders.

The ILT programme: “Learning and practising in a laboratory of innovation”

The ILT programme on LRED and TP is organized in Germany especially because of the experiences of institutions, services, businesses and policy advisors. Germany became a laboratory

- on trial and error experiences with intensive lessons learnt
- on promoted programmes and initiatives
- of businesses and institutions having gone through different structural change processes.

All this provides the backbone of the German economy. That is why the ILT programme is based in Germany. It offers a laboratory of intensive learning and practising within an innovative environment. The integrative approach of the programme includes internships, excursions, German language courses and professional skills development training on main important aspects of innovative LRED and TP. The final objective of the programme is to support innovative approaches of economic development in the SADC region.

ILT Introduction

Introduction: International Leadership Training

The International Leadership Training (ILT) programme of GIZ provides a unique innovation and capacity building course for qualified and highly motivated junior executives and managerial personnel from private businesses, or local and regional consultancy and service providers, SME, economic development or spatial planning agencies, related public service or research institutions in the SADC region. It is based on a best practice approach combining an intensive German language course with internships in highly competitive German companies and support institutions as well as with modules of additional skills by international and German experts on LRED and TP. The objective of the ILT Training is not to blueprint European experience but to provide cutting edge knowledge insights. On this basis the participating experts will develop together with experienced economic development practitioners innovative transformation and change approaches for LRED and TP in their

home

countries.

ILT participants will spend one year in Germany consolidating their technical knowhow, their management skills and their capacity to implement change. In the run-up to this, they will already have undertaken a technical and language preparatory course in their native countries, while continuing their professional work in parallel. In Germany, after a German language course which concentrates on technical terms, the advanced professional training on local / regional economic development and trade promotion will be offered, followed by a practical training within a German company or institution. During this internship, participants can consolidate their newly-gained knowledge and develop professional contacts as well as their own innovative approaches.

In the course of their training, ILT participants use GIZ's Global Campus 21® advanced Internet training platform. Once they have gained their ILT qualification, the successful participants remain in touch with each other through InWEnt's global network of former participants. With its International Leadership Training programme, GIZ is making an important contribution towards global "capacity building", through the development of specific individuals.

ILT – RED TRADE: Local / Regional Economic Development and Trade Promotion 2010-2013

Germany is the second largest exporting country in the world. This success is based on decades of experience in LRED and TP. Germany provides unique institutional support, many LRED projects are linking local market and export promotion activities. Additionally, in Germany and other EU countries a quality and service infrastructure has been developed creating the basis for innovative and future-oriented economic and sustainable development. It involves the support of high-tech sectors like information and communication technology, environmental technologies, biotechnology and other clusters. Specialisation is the challenge for future competitiveness and Germany has experienced this specialisation over the last decades. In the following the didactical steps as well as the approach and the criteria for the selection of the candidates are described more in detail.

The didactical steps of the programme

The advanced training programme follows a successful and intensive learning approach based on several didactical steps:

- Intensive learning of the German language (more than 4 months) as an important asset for future careers especially in internationally- oriented companies and institutions

- Practical working experience and insights into a German company or institution through a 4 months internship
- 4 months of professional training through international and German experts on trade promotion, economic development, and management

High quality and innovation-oriented approach

The approach of the programme follows a very innovative learning concept. This includes

- Professional combination of practice-orientation, exposure tours and international expert skills development inputs
- Learning of different important topics, methodologies and tools for local and regional economic development, management and trade promotion
- “Learning by doing” and “learning by adapting”: it includes a very interactive approach comparing the German and EU experiences with the specific framework conditions in the SADC region
- Hands-on skills development as opposed to lecture-style: the theoretical inputs are provided by international experts in a very practice- and business-oriented way.

On the basis of the implementation steps and the approach GIZ assures a high quality-oriented didactical concept in the interest of the participants.

ILT Objectives

International Leadership Training: Objectives

This International Leadership Training is dedicated to qualified and highly motivated junior executives and managerial personnel from private businesses, local and regional consultancy and service providers, SME, economic development or spatial planning agencies, related public service or research institutions. The participants will learn about the significance, elaboration and implementation of innovative concepts and approaches of local/regional economic development and strategies on trade promotion. During their stay in Germany, the participating experts will

- learn from German experiences through their internship in a German company or support institution
- learn from international professionals as experts in their field of economic development in Germany and abroad
- learn through exchange of knowledge with other participating experts coming from other SADC countries and other fields of activity.

Local / Regional Economic Development and Trade Promotion – a Key Issue for International Exchange

Globalisation goes hand in hand with increasing challenges for localities, regions, nations and supranational regional networks to catch up with the increasing competition. Successful local and regional economic development as well as trade promotion are important prerequisites for the SADC region to benefit from globalisation. Developing these prerequisites is not an easy task because it requires not only competitive companies but especially cooperation between many supporting institutions, policy representatives as well as research and development (R&D) and innovation-driven stakeholders. The ILT programme builds on these challenges. It has the objective to

- develop skills of managerial staff in the SADC region responsible for trade and economic development promotion in the future
- provide them with good practice in Germany based on more than 50 years experience in international market integration
- initiate learning processes on the experience of the European Union and its approach to regional market and trade integration
- use the innovative insights to develop concrete and applicable proposals for innovative future approaches for trade promotion and economic development in the SADC countries.

During the last decades Germany as well as other European Union countries have increased their trade especially among each other but also outside the EU. Value chains of companies and sectors in the EU and in Germany are following a very business-oriented approach, crossing geographical and political borders. In Germany several high-tech clusters are the driving force of the export economy. At the same time SMEs play an important local as well as international export role in the EU and especially in Germany. These approaches and experiences cannot be used as blue prints for the economic development in the SADC region. But the promotion of innovation in each country is mainly based on the recombination of existing elements. Thus one of the main objectives of the ILT programme is to provide innovative insights into the German and EU reality to finally generate with the participating experts realistic ideas how to encourage and recombine innovation at their local and regional environment.

ILT Contents

Contents for the ILT Training InWEnt

Apart from the professional German language course and the internship in a respective German company or institution the ILT programme provides a professional training of 3 months with detailed insights into main important success criteria for economic development and international integration. The ILT training provides an insight into LRED and TP reality in the EU and Germany, an insight into the concepts and important approaches to LRED and TP, as well as a concrete insight into implementation procedures, challenges and change facilitation requirements. The topics are more concretely listed in the following:

1. Basic Introduction to LRED and TP

- LRED and TP in Germany and the regional policy of the EU: Comparison with realities in developing countries
- Introduction into main elements and institutions related to LRED and TP
- Roles of actors in LRED and TP and systemic challenges
- Synergies and differences of LRED and TP to spatial planning and infrastructure development

2. Understanding underlying concepts and approaches of LRED and TP

- Systemic competitiveness: How to tackle complex economic challenges in a focused systemic way
- Making markets work: Market-, network and government failures
- Local and national innovation systems and the importance of technological change
- Modern industrial policies

3. LRED and TP as part of private sector development and change facilitation

- Linkages between local economies and global markets (global value chain approach and the role of standards)
- Cluster promotion and cluster management at different policy levels
- Knowledge intensive services, technology transfer and competition
- Creating and enabling business environment
- Entrepreneurship and economic growth
- Societal trust, societal and organisational change

The general didactical approach

The learning method of the course will follow a very interactive and explorative format (see also approach details above). It will take German and EU case studies and exposure tours as the basis of explanation of LRED and TP. This reality will then be reflected with the participants along with their own local and regional realities. The latter approach also provides inputs for the essays written by the participants.

Application: Profile and pre-conditions

- Workplace is private sector development in the public and private sector (junior managers and junior executives from private companies, consultancies, private sector institutions public or private service provision, economic support agencies, management schools and economic policy departments)
- At least 3 years of professional experience in their sector (female applicants are especially encouraged to apply and are given higher priority at the same level of qualification).
- University degree in related subjects (Development, Management, Economics, Trade, etc)
- Age limit: between 23 and 36 years (men) and 23 and 40 years (women)
- Official support letter from your employer who supports your advanced professional training plans and has nominated you to participate in this International Leadership Training. Your employer guarantees your professional reintegration after the training in Germany.

Structure and Timetable

- Application phase: August – December 2011
- Interviews and selection of participants: January 2012
- German language course in the home country or region (6 weeks): between April and July 2012
- Arrival in Germany: 1 August 2012
- Introductory module (1,0 month), German language course (3,0 months) : August – November 2012
- Management course I and II (each 1 week) and professional training course (3 months): December- mid March (2012/2013)
- Interim evaluation, preparation for internship and workshop on transfer projects (2 weeks): March 2013
- Internship in a German company or institution (4 months): Mid March-mid July 2013

- Management course III and final module (2 weeks): July 2013
- Return to home countries: End of July 2013
- Transfer project phase: August -January 2013-2014
- Transfer project workshop for Alumni in the SADC-region: December 2013

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