



# BRIEF 2.2. ORGANIZING REGIONALLY ACROSS THE PUBLIC AND PRIVATE SECTORS FOR ECONOMIC COMPETITIVENESS

Success in global competition requires a combination of public and private leadership locally. The private sector provides state and local governments with crucial expertise, agility, and buy-in that, when aligned with government strategies, can help pivot relationships towards concrete business and economic gains.

## 1. The challenge: coordinating complex stakeholder networks

**Multiple actors must organize locally for economic development**, most commonly including the local government's international affairs team, the economic development organization (EDO), marketing and tourism agencies, chambers of commerce, business associations, and research and educational institutions. Successful international economic engagement requires coordination across these organizations that may have their own priorities, capabilities, and relationships. Common coordination challenges include:

- Fragmented policy priorities across multiple agencies hindering major attraction projects;
- Limited information sharing between chambers of commerce, economic development agencies, and political leadership;
- Political turnover disrupting continuity in market and industry priorities;
- Inadequate follow-up mechanisms after international delegations and business development activities;
- Disconnect between cultural relationships and business development opportunities;
- Inconsistent international promotion and brand projection.

## 2. Strategic guidance for effective economic governance

**Leadership coordination is essential.** Local leadership must coordinate strategies and initiatives across sectors toward shared economic development objectives while leveraging each stakeholders' strengths and resources.

- **Leverage specialized roles.** EDOs lead broad business development and investment attraction, while elected leaders can support or drive specific opportunities when personal relationships exist or direct interactions are required at the political level. Chambers of Commerce can provide business intelligence, as well as contacts and logistical support for events.
- **Adopt a regional hub approach.** To prevent scattered or siloed priorities that hinder international economic development, leadership must foster a regional hub approach and coordinate among stakeholders around a shared strategy to "sing the same song" as one local leader noted.
- **Coordinate with higher levels of government to validate missions.** Engagement with national or regional government helps justify and validate trade and foreign direct investment missions, providing political cover and resource leverage for local economic development efforts.

**Leverage private sector engagement strategically.** When brought in by government in trade delegations and strategy, the private sector can help pivot political or cultural relations with foreign partners into business opportunities.

- **Understand business needs and capacities.** Companies with established international contacts require minimal government facilitation but can play a significant role in leading and enhancing trade delegations. Start-up companies and smaller businesses typically require more support for international market access, relationship development, and risk mitigation.

- **Tailor leadership roles to context.** Who leads international business engagement may differ depending on the situation. Anecdotal, a very involved mayor may be well connected in a location and take on a bigger role leveraging contacts. In some cultures, the involvement of a senior political representative is required in business development, particularly in markets where political signals matter. In others, private sector actors may take the lead, supported by government facilitation.
- **Secure business buy-in for international initiatives.** The private sector can provide crucial sponsorship and hosting support for international events and partnerships, infusing business expertise, connections, and buy-in as illustrated by the Festival of Cultures of Palmerston North (see case study below).

**Develop systematic follow-up mechanisms.** A "non-feedback culture" and inadequate follow-up mechanisms undermine business development efforts and relationship maintenance. After receiving or sending international delegations, local governments must create systematic processes for both following up and understanding outcomes and impact rather than immediately turning to the next opportunity.

**Integrate educational and infrastructure partners.** Universities serve as gateways through their international offices and overseas presence. Educational institutions provide natural connections for business development, research collaboration, and talent attraction that complement traditional trade and investment activities. Partner strategically with infrastructure Ports, airports, and gateway infrastructure create natural partnerships for international engagement, particularly when these facilities connect regions to global networks through tourism, trade, and transportation links (see case study below). These actors expand the reach, credibility, and effectiveness of global engagement.

## Insights from the Field



### **For Cairns, working with its port, airport, and other gateway infrastructures multiplies international partnership opportunities.**<sup>1</sup>

Ports, airports and gateway infrastructure are critical to the economic success of cities like Cairns, Australia. As a tourism and regional hub, Cairns relies heavily on its connectivity to domestic and international markets. Cairns Airport, which is Australia's seventh largest Airport and has direct international flights to the Asia-Pacific region, is vital to tourism and the movement of goods and services, particularly of fresh produce into Asia. Cairns' Port is another key piece of infrastructure connecting Cairns to global networks by supporting defense, cruise ships, super yachts, coastline shipping, and the marine fleet visiting the Great Barrier Reef, with each subsector supporting a diverse supply-chain of local businesses. By fostering effective partnerships with organizations that control key infrastructure, including government departments, businesses and other key stakeholders, cities can work toward greater alignment with long-term priorities to drive sustainable growth and increased livability for residents. Partnerships with key infrastructure can be diverse in nature, they can relate to advocacy, investment, sustainability, international engagement, community safety, and creating awareness of procurement opportunities for local businesses. Wherever there is alignment, there is a potential partnership.



### **With the Festival of Cultures, Palmerston North connects culture, business, and diplomacy into a strategic platform for international economic engagement.**<sup>2</sup>

Each year, Palmerston North celebrates its cultural diversity through the Festival of Cultures—a two-day event that transforms the city center into a vibrant hub of international music, dance, food, and storytelling. This flagship event not only reflects the city's multicultural identity but also serves as a powerful platform for global engagement. Leveraging the festival's visibility and atmosphere of celebration, the International Relations function organizes a two-day diplomatic program to coincide with the event, inviting members of the diplomatic corps from Wellington-based embassies and high commissions to experience Palmerston North first-hand.

<sup>1</sup> Contribution from the Cairns Regional Council (Australia)

<sup>2</sup> Contribution from Palmerston North (New Zealand)

### *Day 1 – Strategic City Tour and Sector Engagement*

The first day of the program is focused on economic diplomacy and sector engagement. Diplomats are taken on a guided tour of the city, curated to showcase Palmerston North's key economic sectors,

investment opportunities, and innovation ecosystem. The itinerary includes site visits to leading local businesses, research institutes, agri-tech facilities, education providers, and other key infrastructure. The city collaborates with partner organizations such as CEDA, Massey University, FoodHQ, and local iwi [Māori] and industry leaders to co-design and share hosting responsibility for this immersive experience.

This day is not only about information-sharing but about relationship-building and influence. Diplomats gain insight into the city's competitive advantages, including its skilled workforce, innovation, central logistics location, and readiness for foreign investment and collaboration. The event also serves as a forum for local stakeholders to build connections with international representatives who may influence future trade, education, or research partnerships.

### *Day 2 – Cultural Diplomacy and Community Engagement*

On the second day, the focus shifts to soft diplomacy and cultural exchange. Diplomatic guests are invited to attend the Festival of Cultures' World Food, Music & Dance Day—an iconic event that attracts thousands of attendees and celebrates the city's diverse communities. Here, diplomats are officially welcomed by city leadership in a civic ceremony and have opportunities to meet with community groups, cultural leaders, and international students. The International Relations team collaborates closely with other Council teams—such as Events and Community Development—and partners with the Multicultural Council, bringing their collective resources and expertise to deliver a meaningful experience that allows visiting dignitaries to witness the city's inclusive values in action. This collaborative effort showcases Palmerston North's cultural diversity as a key strength in its approach to international engagement.

This two-day program is more than a ceremonial gesture—it is a strategic tool to position Palmerston North on the international stage, deepen bilateral relationships, and generate interest in future collaborations. The diplomatic program has become a cornerstone of the city's global engagement calendar, offering a high-impact, low-cost opportunity to tell the city's story to influential international audiences and unlock potential economic, educational, and cultural partnerships.

# About this Toolkit: Strategic guidance based on experiences from the field.

State and local leaders receive visiting foreign delegations, opportunities for international partnerships, and pressure to engage globally—but no clear guidance on how to do it right. This Toolkit provides that strategic guidance, building upon the insights and best practices from a group of innovative city, state, and regional government leaders from nine countries: Australia, Canada, France, Germany, Italy, Japan, New Zealand, the United Kingdom, and the United States

The result is a practical guide organized around the core challenges local leaders face most often. It provides strategic guidance to:

- Build an international strategy that serves community's priorities while avoiding common pitfalls (Briefs 1.1, 1.2, 1.3)
- Manage relationships that create economic opportunities and jobs (Briefs 2.1, 2.2, 2.3)
- Navigate security threats and potential risks (Briefs 3.1, 3.2)
- Turn international connections into influence and resilience (Briefs 4.1, 4.2, 4.3)

Each brief includes specific steps and real examples from local leaders, experts, and practitioners. If you're using this Toolkit to apply an innovation locally or have questions or suggestions, [please fill out this short survey](#).