What makes a region internationally competitive?

Regions which compete successfully in global markets have **two features in common**:

**Strategic Vision**
- for the long term success of the region

**Coordination**
- of all of the region's stakeholders to deliver on the vision

What does strategic vision look like?
- Identifying and promoting the current capabilities of the region (its infrastructure, skills, technology and business capabilities) which match the needs and requirements of lead global firms.
- Strategic, niche opportunities for one region are not necessarily the same as another, because regions have different existing capabilities.
- Pursuing upgrading opportunities for the region. These might include moving into niche new product/service lines, adopting new process technologies or changing the key functional activities of the region such as moving from manufacturing to design.

What should regions avoid?
- While it is important for regions to form close relationships with global lead firms, they don’t want to become captive to lead firm demands.
- Regions need to improve their bargaining power in global markets by ensuring they develop capabilities which are unique, rare and difficult for other regions to copy.
- Regions should develop capabilities which allow them to diversify across multiple value chains.

What does coordination involve?
- Successful regions don’t just have businesses which are co-located - they achieve coordination of key stakeholders.
- Coordination is capacity for major economic groups (individual firms, industry associations, governments, universities) to interact to develop and deliver on public policies and to align their decisions to a common vision/goal.
- Coordination involves decision-making processes that are de-centralised (bottom-up), which involve negotiation and collaboration with major economic groups.
- Coordination involves steering or influencing economic groups, guiding them and ‘getting things done’.
- Coordination creates greater certainty for stakeholders and the opportunity for alignment of decision making.
Sudbury Mining Supply and services Cluster
North Ontario, Canada

Two large mining companies anchor a network of over 500 firms that interact with each other and are supported by government policies to provide innovative solutions, improve productivity, efficiency and safety and employ over 23 000 people.

Sudbury developed a strategic vision of becoming a resilient and diversified economy. The vision was enacted through the coordinated actions of government, industry and community.

The Sudbury Regional Development Corporation was established to develop strategies to attract new businesses, develop growth centres and guide economic growth in consultation with representatives from local government, mining companies and business.

The Ontario Provincial government relocated the Ontario Ministry of Northern Development and Mines, the mining health and safety branch of the Ministry of Labour and the Ontario Geological Survey to Sudbury. The aim was to create a critical mass to attract new businesses to Northern Ontario.

The Federal government adopted a cluster approach to identify cluster opportunities and invest in cluster building.

Inter-government collaboration resulted in an effective regional development program that invested in community-based strategic planning and involved a wide-range of stakeholders.

Government policies encouraged the development of stronger links between the research institutions, Laurentian, Boreal and Cambrian Universities, other research facilities, post-secondary education centres and industry. This strategy provided relevant technical and tertiary training to build up a strong specialised technical skills-base; demonstrated to local youth the variety of career paths available in mining and mining supply and services occupations, potentially limiting out-migration; and provided opportunities to conduct relevant and innovative research that could be incorporated into local industries.

The Sudbury Area Mining Supply and Service Association (SAMSAA) was formed to encourage and facilitate collaboration, innovation and diversification.