



ISLE OF MAN. WHERE YOU CAN

CII Regulatory Conference 11th November
Minister for Economic Development
Laurence Skelly MHK



Department of
Economic Development,
St George's Court,
Upper Church Street,
Douglas,
Isle of Man IM1 1EX

www.wheretheyoucan.im

Our economy

- 31 years of continuous economic growth.
- Growth outlook (GDP) = 3-4% pa in real terms until 2020.
- Highly diverse economy with over 20 wealth creating sectors.
- Low inflation (CPI = - 0.8%)
- Low unemployment (1.7%)
- 900 job vacancies at present
- Highly respected international reputation in many sectors

Activity update

Financial Services

- Our largest and most important sector with Insurance key within it:
 - Insurance 15% of National Income
 - 100 events planned for 2016 in UK, particularly regions
 - IOM named “Best International Finance Centre”
 - New banking regime planned
 - Country Strategy – ongoing engagement with China

eBusiness

- In 2014/15 E-Business generated c. 100 jobs – DED involved in half that growth
- In 2015/16 we expect at least 6 new IOM gaming licences
- Digital currency sector has attracted over 20 new businesses to date

Activity Update

Visitor Economy

- Leisure visitors grew 12% in 2014 and 15% in first half of 2015
- Strong sector is vital in helping improve quality of life and attracting new business across all sectors
- Promising new investments e.g. Central Douglas Masterplan

TT

- TT Visitors have **increased 35%** since 2010
 - Economic benefit up 13% since 2013 to £21.4 million
- Tender for external promoter to run TT/Classic TT in development

Activity Update

Manufacturing

- £5million invested in new engineering training facilities
- Growth projections excellent with some companies having +10 year order books
- Aerospace Cluster integral to major current global aerospace projects

Registries

- Ship, Aircraft and Companies Registries income levels excellent
- Ship register 14th largest in the world
- Aircraft register Top 10 in world for business/private jets

Activity Update

Offshore Energy

- Agreements in place to utilise our territorial seas
- Wind farm – agreement with DONG Energy to develop by 2023
 - Potential £5m income pa and up to 50 onshore jobs
- Tidal – agreements with Manx Tidal Energy and Tocardo to trial tidal energy initiatives
- Hydrocarbons - Surveys to be conducted over next 12 months

Driving delivery of Vision2020

- Vision 2020 strategies are working: last year over 350 jobs were created.
- Government aims to grow the economically active population to address the fall in recent years in order to maintain and increase income.
- Need to accelerate economic growth with proposals aimed at creating the right environment for business

Creating the right environment for business

- **Real Estate & Infrastructure**
 - e.g. Central Douglas and Ronaldsway Masterplans
- **Attracting skilled workers**
 - Improving education, notably ICT, engineering and vocational skills
 - ICT Ltd developing The Nunnery
- **Reducing Government Bureaucracy**
 - E.g. Work permits changes
- **Innovative 21st Century Regulations**
 - E.g. Alternative Banking Regime
- **Access to Funding**
 - E.g. Crowdfunding marrying FIN & TECH
 - Enterprise Development Scheme

Enterprise Development Scheme

A total of **£50 million** will be available over 5 years to invest in businesses that create jobs on the Island.

- Scheme aims to become 'self-financing'
- Although not exclusive, the **focus is on exporting businesses** which will help to grow our economy.
- Funding will include **grants, loans and equity**.
- Government will **not be a majority investor** so it is principally private sector funding at risk.
- Suitable **3rd Party manager(s)** to be appointed to make the investment decisions however mandate will be set by Government.
- Annual reporting to Government to **ensure accountability**.
- **we must recognise it will bring risks as not all businesses will succeed.**

Proposed Scheme Design

The scheme is divided into 3 core parts:

- **Fledgling**

Micro Business Grant Scheme & Small Business Grant Scheme

- **Accelerator**

To provide Loan & Equity support to SME's entering next growth phase

- **Relocator**

To invest in larger businesses entering the 'commercialisation' stage

Thank you



Isle of Man
Government
Kellrys Ellan Vannin



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Giving you Freedom to Flourish

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