

Economy, Infrastructure and Skills Committee: A written Evidence Paper on Enterprise Zones from the Cabinet Secretary for Economy and Transport

Purpose

To inform and update the Committee on Enterprise Zone policy and delivery as part of the Committee's ongoing inquiry into Enterprise Zones in Wales.

Policy Context

1.1 The current approach to Enterprise Zones was introduced during the fourth Assembly, with the launch of an initial wave of five Enterprise Zones in April 2012 (Anglesey; Cardiff Airport & St Athan; Central Cardiff; Deeside; and Ebbw Vale). These were subsequently joined by a further two Zones later that year (Haven Waterway and Snowdonia), with a further Zone (Port Talbot Waterfront) established more recently in 2016 and bringing the total number of Enterprise Zones in Wales to eight.

1.2 The rationale and purpose for each Enterprise Zone is different. Some are clearly in areas of existing opportunity (Cardiff Airport & St Athan, Central Cardiff, and Deeside); others are located in areas where the additional focus and profile provided by the Enterprise Zone can act as a catalyst to development (Haven Waterway, Ebbw Vale and Anglesey), whilst others are a response to a specific local economic uncertainty (Port Talbot and Snowdonia).

1.3 Given their different starting points, policy has always been clear on the dangers of drawing parallels between performances in Enterprise Zones, however the long-term agenda in each is them to support economic development and business growth, new jobs and the safeguarding of existing employment.

1.4 Whilst their policy context and establishment pre-dates the development of the Economic Action Plan, there is nevertheless alignment between the Plan's emphasis on developing the strengths of the regions of Wales and the work that Enterprise Zones have done to stimulate economic development locally.

Incentives

2.1 Enterprise Zones benefit from a competitive range of financial and non-financial incentives. These include superfast broadband, business rates support, skills support, enhanced capital allowances and property and infrastructure:

2.2 Broadband: Enterprise Zones were prioritised for provision of Superfast Broadband, which has been rolled out to all Zones. Currently 95.95% of premises in EZ locations have been enabled.

2.3 Business Rates Support: Since October 2012, £11million has been offered in business rates support to hundreds of companies across the Enterprise Zones.

2.4 Skills: All Zones benefit from our pan-Wales skills offer and we are continuing to work to ensure the offer for Enterprise Zones aligns to local requirements, with bespoke support offered such as the Flexible Skills Programme and in Ebbw Vale the Aspire Shared Apprentices Scheme.

2.5 Enhanced Capital Allowances (ECAs): Extended by HM Treasury until 2020, ECAs have been secured at designated sites within the Deeside, Ebbw Vale, Haven Waterway and Port Talbot Waterfront Enterprise Zones. Work is continuing to enhance the infrastructure of the sites that have been assigned ECAs to make them even more attractive to investors.

2.6 Property & Infrastructure: Other interventions in Enterprise Zones include transport infrastructure developments to improve connectivity within and to the Enterprise Zones, bespoke land and property solutions, business networks, specialist supply chain support and dedicated relationship management.

Delivery Highlights

3.1 Pace of delivery has been variable across each of the Enterprise Zones – this reflects the different starting points of each Zone and their distinctive opportunities and challenges. Some of the Zones are more investment ready than others, some are able to exploit existing opportunities, whilst others have been focused upon laying foundations upon which economic and business development can take place over the longer-term. However in each Zone important progress has been made.

Anglesey Enterprise Zone

3.2 The vision for the Anglesey Enterprise Zone is to create a world-renowned centre of excellence for the production, demonstration and servicing of low carbon energy. The Anglesey Enterprise Zone Board has focused on 5 key areas: skills; property development; port development; nuclear; and marine sector development.

3.3 Key aims of the Board have been to maximise the economic opportunity from the proposed £10 billion new nuclear power station Wylfa Newydd, but more importantly, to identify other major infrastructure projects/sectors that are critical to enabling sustainable long term growth to be achieved after Wylfa Newydd has been constructed.

3.4 The potential Thermo Hydraulic Test facility for the Menai Science Park site is currently undergoing a feasibility study across the UK to demonstrate best siting. If successful this will bring highly paid nuclear sustainable jobs in research and development to the Zone and start to develop a cluster of nuclear specialist knowledge which will attract inward investment. It is also the intention to sustain jobs in the emerging marine sector developing on the Island with the Port of Holyhead site becoming an Operating and Maintenance base (O&M) for this activity.

3.5 The Board's priority for nuclear and marine has helped to make the economic case that has secured and influenced substantial new investment. The first marine project currently developing a manufacturing facility on Holyhead Port is Swedish marine energy developer Minesto which secured €5.1million funding from the EU Horizon 2020 programme to develop its commercial scale tidal power plant off the coast of Holyhead. Other achievements include the announcement in September 2017, that £4.5million of EU and Welsh Government funds will support Mentor Môn's £5.6 million Morlais scheme which will help accelerate the development and commercialisation of multiple tidal stream technologies in the Morlais Demonstration Zone on Anglesey, with the marine activity all within the Zone.

3.6 Property development has been slower to develop within the AEZ but has made progress on the smaller industrial units with an announcement in July 2017 that £4million of EU funding is to be utilised to provide over 1,300m² of office, light industrial and storage space for businesses on the former Mon Training site and over 750m² of office space at the Anglesey Business Centre at Bryn Cefni Business Park. Work is expected to begin soon with the units ready for businesses in early 2019. The Board has commissioned a piece of work on supply and demand and aims to hold an event to attract property developers to start looking at speculative build properties within the Zone.

3.7 Funding was secured with Isle of Anglesey County Council, Grŵp Llandrillo Menai and the Nuclear Decommissioning Authority for the £11 million project for the new Llangefni Link Road. I announced investment in January which will enable the delivery of section 3 with a further £1.028 million being invested this financial year and up to £2.5 million provided in 2018-19, subject to an updated business case. This brings Welsh Government contribution in the scheme to over £10.6 million. The Link Road, which is being delivered in four sections, is a key part of Grŵp Llandrillo Menai's master plan to develop their Llangefni Campus as an internationally-renowned Energy and Engineering Training Facility. The Link Road will also be important in mitigating the impact of traffic in Llangefni town centre and has allowed major expansion of Grŵp Llandrillo Menai's Coleg Menai, Llangefni Campus which is a 40 acre site. The Board assisted the College to master plan the site and a recent announcement of a £13.5 million energy centre for the Llangefni Campus, £6.75 million came from the Welsh Government, will assist to grow apprentices and skills required to develop a local talent pool. The centre will enable the college to support a number of additional places for engineering students studying for both vocational and technical qualifications. The new centre will be located on the same campus as the existing Energy Centre and Construction Centre and together these facilities will help students develop their engineering and construction skills in support of the Wylfa Newydd development.

Cardiff Airport & St Athan Enterprise Zone

3.8 The Cardiff Airport & St Athan Enterprise Zone is a unique environment for Aerospace businesses within Wales which is providing the environment and incentives that have been critical to attracting quality businesses. The Zone consists of 2 major airfield sites - Cardiff Airport (515 acres) and the St Athan Aerospace Business Park (1200 acres) - as well as an adjacent 'Gateway Development Site' (200 acres) which provides substantial opportunity for future growth.

3.9 The Enterprise Zone Board has had a focus in ensuring the support for developing the Zone has been in place and that the facilities have been marketed internationally. A key recent focus of the Board has been to ensure skills provision has been in place and by working with Cardiff and Vale College a new apprenticeship programme has been established for the aerospace sector locally which has attracted over 30 potential apprenticeship places in its first year.

3.10 The Board has also been influential in securing significant investment in road infrastructure schemes that have already, and will, transform access to the Enterprise Zone sites. The potential total value of the Gileston Bends, 5 Mile Lane and Northern Access Road schemes is in the region of £44m.

3.11 Cardiff Airport has developed substantially under Welsh Government ownership with an increase in passenger numbers of 48% over the last 3 years and new routes being established to Germany, Ireland, Italy, France and Spain in that period. Qatar is next, with flights commencing on 1 May 2018.

3.12 Aston Martin has chosen the St Athan Aerospace Business Park to be the site of its second manufacturing location. This investment aligns with the Zone's focus on leading edge engineering, manufacturing and materials and will support and complement the renewed focus on both Airport assets and their surrounds. Around 750 jobs could be created when the facility is in full operation by 2019.

3.13 Close cooperation between the Welsh Government, the new airfield management contractor Serco Ltd and the Ministry of Defence has enabled the St Athan airfield to open seven days a week, making a major improvement to the marketability of the Aerospace Business Park.

Central Cardiff Enterprise Zone

3.14 This Zone covers 140 acres of the City's business district. The Enterprise Zone Board has worked particularly closely with the Welsh Government's Finance and Professional Services (F&PS) Sector Team and Sector Panel to provide a focussed approach to developing a strong cluster of high quality F&PS businesses in the Zone and the wider Cardiff region.

3.15 At the start of the EZ programme in 2012 the lack of Grade A office space and lasting effects of the financial crisis meant that prospective office developments were not being delivered by the private sector. One of the first recommendations of this Board was for the Welsh Government to purchase the 78,000 sq. ft. 'Capital Quarter 1' office development which had stalled. The purchase was completed in Spring 2014 for £14 million and it sold in 2016 for £20million as a fully let property by the Welsh Government. A £2.5m pedestrian bridge was also constructed over the railway line to further encourage development south of the line and link the City's retail and commercial districts. These developments not only brought this office space directly to the market but the commercial success of the Capital Quarter 1 project has encouraged private sector developers to progress with further projects. For instance, a 'Capital Quarter 2' building of a similar scale and a new multi story car park completed in 2016 and is fully occupied, whilst the Capital Quarter 3 and 4 projects are due for completion at the end of 2018 and 2019 respectively.

3.16 Developments in the Central Cardiff Enterprise Zone are helping to reinforce Cardiff's position as an attractive location for financial services investment. Officials are acting upon the Board's strategic priorities to ensure that there continues to be suitable office accommodation to attract key tenants. This includes the ongoing development of substantial further Grade A office space in Callaghan Square and Capital Quarter and the relocation of many significant business interests such as the BBC and Finance Wales.

3.17 International business advisory firm Deloitte has created 220 jobs and announced the creation up to 700 further jobs as it prepares to diversify and expand its business operations Centre of Excellence in the Zone.

3.18 US inward investing ITC Sector Company Alert Logic has announced the creation of up to 122 new jobs in the CCEZ. A very recent announcement that Aon, the leading global professional services firm providing a broad range of risk, retirement and health solutions, is opening an office in Cardiff, with the creation of over 100 jobs. This and the recent Monzo Bank project are also raising the profile of the Zone in the key London market, in particular the tech community around Shoreditch. Other companies having brought new investment and jobs to the Zone with Welsh Government support include British Gas, AA, Network Rail, Admiral, Equinity and Lewis Silkin.

Deeside Enterprise Zone

3.19 The Deeside Enterprise Zone is one of the most successful industrial areas in the UK and has a substantial existing business base which includes major employers like Airbus, Toyota and TATA Steel. Incentives within the Zone are supporting businesses to invest and expand and the Zone has regularly been the location for significant investment from major companies including substantial inward investment projects (see <https://businesswales.gov.wales/enterprisezones/news/deeside?page=1> for examples).

3.20 There is also significant potential for further growth and the Board has secured significant investment from Welsh Government for essential infrastructure to ensure the 222 acre 'Northern Gateway' development site has been made ready for new investment projects. Eligibility for Enhanced Capital Allowances for this site was also negotiated with the UK Government to increase its attractiveness to very large projects.

3.21 In order to maintain the region's competitiveness as one of the UK's premier locations for manufacturing, the Enterprise Zone Board has had a focus on ensuring the infrastructure is in place to support companies with the highest quality skills development and research and development capability. As part of this aim, it has worked hard to undertake the required market research and secure the funding for development of the Wales Advanced Manufacturing Research Institute (AMRI). This was announced last November with an indicative Welsh Government contribution of £20 million. The Institute will operate as a single entity, split between a state of the art "hub" R&D facility in Broughton and a networking, training, business development & advice facility in close proximity to the Deeside Industrial Park.

3.22 AMRI will deliver game-changing support to key manufacturing companies as well as multi-sector supply chain companies and the broader SMEs economy. It is geared to increase productivity, commercialisation, innovation and skills development to ensure a thriving competitive industry base that will be a catalyst for growth and jobs across the supply chain in Deeside, North Wales, and the Northern Powerhouse and further afield.

Ebbw Vale

3.23 The Ebbw Vale Enterprise Zone covers 8 industrial sites in the Ebbw Vale area including the 33 acre Rhyd y Blew brown-field development site which has ECA eligibility. The Board has had clear aims of ensuring its development sites were fully serviced and ready for marketing, developing the skills base of the area, particularly in the engineering sector and working with the Welsh Government Sector teams to bring new investment into the Zone.

3.24 Transport infrastructure is particularly important to the Zone and the new Brynmawr - Tredegar section of the A465 dual carriageway has been completed, providing direct access to the Zone and investing £158million, whilst the £11 million extension of the railway line from Parkway to the Ebbw Vale Works site has also been undertaken.

3.25 The 'Aspire' Shared Apprentices Scheme which focusses on the manufacturing sector in Ebbw Vale continues to grow and develop successfully and is seen as an example of best practice in this subject area. There are currently 21 young people in this cohort and altogether 52 people have been through the programme.

3.26 The Welsh Government is progressing discussions with TVR Automotive on its preferred location for assembly of its cars in Wales, centred on the Ebbw Vale Enterprise Zone. With a planned production of approximately 2,000 cars per annum this production facility will create around 175 new jobs as well as impacting positively on the local supply chain. TVR in the meantime are in discussion with Blaenau Gwent County Borough Council regarding a small volume production facility to allow the company to begin pre-production trials and initial training of staff, and is aiming to get this up and running during 2018.

3.27 In July 2017, Welsh Government announced £100million investment over 10 years to support development of a technology park located at Ebbw Vale with the potential to support 1,500 FTE jobs over the same period. The programme, now known as Tech Valleys, has ambitions that the south Wales valleys and Blaenau Gwent in particular will be a globally recognised centre for the development of new technologies, to support cutting edge industries, particularly in the automotive sector. Building on the valuable work of the Ebbw Vale Enterprise Zone Board to date, the programme will be delivered through a portfolio of related and inter-dependent projects such as battery and motor technology, 5G activity and the infrastructure needed for automated and low emission vehicles.

Haven Waterway Enterprise Zone

3.28 The Haven Waterway Enterprise Zone contains a number of sites within Pembrokeshire. Around 20% of the UK's energy supplies are received via Pembrokeshire and the core Haven area reflects the importance of this sector. The Board has also identified the importance of tourism and food processing and is additionally prioritising these areas.

3.29 Planning Permission was granted on 7 December 2017 for the proposed Valero Cogeneration £110 million gas fired power plant at its site in the Zone and will allow Valero to be self reliant of its future energy costs. An important employer in the area, Valero is one of the last of six remaining refining business in the UK. The two year construction project represents a large inward investment for Wales in the Energy Sector safeguarding hundreds of jobs in the Zone.

3.30 Investment in road infrastructure has been a priority for the Board. Improvements to the A477 in Red Roses, part of the Trans European Road Network, were completed in April 2014, significantly improving road access to and from the Zone. The Welsh Government's National Transport Finance Plan currently includes a commitment to

progress proposals for the potential trunking of the A477 between Pembroke Dock and Johnston from the next financial year. This includes consideration of the Cleddau Bridge and the recent Welsh Government budget announcement included a commitment of £2m to remove the tolls on the Cleddau Bridge in 2019-20.

3.31 Discussions are ongoing with key partners including Pembrokeshire County Council about the proposal for a Food Park in Withybush, Haverfordwest. Pembrokeshire is an area of outstanding natural beauty underpinned by a strong agricultural base. The proposed food park aims to create employment and to retain 'added value' within the region.

3.32 Continued development in the cruise sector has resulted in increased number of visitors to south west Wales with cruise ships docking at Milford Haven Port, Pembroke and Fishguard. In 2017, Fishguard welcomed 6618 passengers to Pembrokeshire with 31 vessels calling. In 2018 at Fishguard Port alone has 32 calls scheduled including larger vessels calling and passenger numbers forecast at 11,000.

3.33 The Board played a key role in the taskforce approach used to mitigate the impact on the region of the Murco refinery closure in 2014 which employed 400 staff. A positive legacy of this work was the creation of the Board's Business Interaction Group which provides a strong network for local SME companies, mostly from the oil refining or renewable energy supply chains. With support from Business Wales a series of meetings have been held on topics such as Sell2Wales, Supply Chain opportunities, business finance and social media. In October 2017 the Zone hosted a Google Digital Garage event with 70 people in attendance.

Port Talbot Waterfront Enterprise Zone

3.34 The Port Talbot Waterfront EZ was formed in 2016 after Tata Steel announced it was selling its UK steel business. The EZ Board aims to help encourage the exploitation of new economic opportunities and to support existing businesses. The Zone is based around existing and potential employment sites in the area which have significant capacity for supporting further business investment. With the Board's advice the Zone was extended to include the whole of the Tata Steel site.

3.35 Enhanced Capital Allowances (ECAs) have been secured for 3 specific sites within the Zone.

3.36 The EZ Board has worked hard to engage with businesses in the Zone and to understand their needs. As an example of this, the Board carried out a skills audit of businesses in the EZ and the outputs from this acted as evidence for the launch of a pilot skills training programme, sponsored by DfES and which supported 15 local companies with £135k which funded up to 300 days of training.

3.37 The Board has also engaged with Swansea University to deliver the IoN Leadership programme (a training programme for business growth) on a bespoke basis to micro and SME's within the EZ. The Board also collaborated with Google to deliver a 'Google Digital Garage' event which had over 150 participants from local companies.

3.38 The Board will continue to look at ways to work with UK steel on future supply chain development. It has also identified other potential opportunities within the construction, creative industries and finance and professional services sectors and will continue to work with Welsh Government officials and key local partners to investigate ways in which these opportunities could be exploited and what infrastructure could be required to deliver them.

Snowdonia Enterprise Zone

3.39 The Snowdonia Enterprise Zone includes two key sites: the former Trawsfynydd Nuclear Power Station site with its energy infrastructure and Snowdonia Aerospace Centre at Llanbedr, which has the capacity to accommodate a range of aerospace uses. There is encouraging progress being made to set the foundations for longer-term investment and sustainable job creation within Meirionnydd.

3.40 Recognising the distinct characteristics of the Trawsfynydd site, the potential for Small Modular Reactor (SMR) deployment at Trawsfynydd has been identified as a potential future use by the Snowdonia EZ Advisory Board with the ability to create sustainable, added value employment opportunities. The Board has also commissioned a number of supporting studies to understand further the viability of the Trawsfynydd site as a potential host site for new SMR deployment and it is now widely recognised by leading nuclear industry technology providers and the wider sector as the UK's prime SMR location.

3.41 The Welsh Government has supported the establishment of an Initial Operating Capability (IOC) at the Llanbedr site by investing in key site infrastructure. On site investment is central to the successful development and integration of processes and procedures for test flight operations, signalling the reopening of Llanbedr Airfield as a centre of excellence for autonomous systems and expanding Wales' Unmanned Aircraft Systems Environment capability. The Welsh Government continues to engage with key stakeholders and business to explore how the Llanbedr site can play its part as a strategic Welsh and UK asset for the test and evaluation of Unmanned Systems, emerging technologies and Spaceport location.

Performance

Since inception of the Zones we have published the performance indicators and key targets against which we monitor progress in key areas across each Zone. These include jobs supported, investment, land development, business support and enquiries.

Progress updates against the indicators are published every six months. The most recent update which covers the period April – September 2017, is to be published along with previous full year reports at:

<http://gov.wales/topics/businessandconomy/growing-the-economy/enterprisezones/?lang=en>

In addition, Committee members have previously been provided with detailed breakdowns of each indicator/target by individual Zone. These are attached at Annexes 1 and 2.

Governance

Each Enterprise Zone has a private sector-led advisory Board that provides advice on the vision, strategic direction and delivery priorities in each Enterprise Zone. Details of current Board membership is published at: <http://gov.wales/topics/businessandconomy/growing-the-economy/enterprisezones/?lang=en> .

Whilst their overall long-term objectives to support jobs and growth are broadly similar, each individual Enterprise Zone Advisory Board has adopted an approach that is best suited to the needs of the Zone. For example, whilst some have focussed upon infrastructure, others have focussed their efforts on attracting a significant anchor tenant. These differences in approach reflect the economic circumstances, opportunities and challenges at each location and are more responsive to local needs than a uniform 'one-size-fits-all' approach.

The tenure of the current Boards ends on 31 July 2018. Recognising the contribution of the Boards and as part of my overarching review of my advisory architecture, I am currently conducting a review of Enterprise Zone governance and delivery. This has been guided by the agenda set out in the Economic Action Plan, including its regional dimension to national delivery.

The review has concluded that Enterprise Zones will continue beyond the end of the current Boards and I have asked all Board Chairs to review and refresh their Strategic Plans. The revised plans will set out each Board's aims, objectives and recommendations for future Zone actions over the next three years.

Annex 1 – Jobs created, safeguarded and assisted in each Zone since inception

Anglesey	2012-2014	2014-2015	2015-2016	2016-2017	Total
Created	347	37	99	19	502
Safeguarded	356	42	46	0	444
Assisted	88	0	0	0	88
Total	791	79	145	19	1034
Cardiff Airport & St Athan					
	2012-2014	2014-2015	2015-2016	2016-2017	Total
Created	9	7.6	64	57	137.6
Safeguarded	0	0	0	0	0
Assisted	85	0	0	0	85
Total	94	7.6	64	57	222.6
Cardiff Central					
	2012-2014	2014-2015	2015-2016	2016-2017	Total
Created	29	73	78.5	301	481.5
Safeguarded	51	13	6	3	73
Assisted	435	463.4	223	179	1300.4
Total	515	549.4	307.5	483	1854.9
Deeside					
	2012-2014	2014-2015	2015-2016	2016-2017	Total
Created	188	473.5	405.5	223	1290
Safeguarded	2484	490	176	230	3380
Assisted	591	0	379	374	1344
Total	3263	963.5	960.5	827	6014
Ebbw Vale					
	2012-2014	2014-2015	2015-2016	2016-2017	Total
Created	30	7.5	75	63	175.5
Safeguarded	61	0.5	9	0	70.5
Assisted	142	0	0	2	144
Total	233	8	84	65	390
Haven					
	2012-2014	2014-2015	2015-2016	2016-2017	Total
Created	14	49.5	123	169.5	356
Safeguarded	29	203.5	276	53	561.5
Assisted	195	0	0	1	196
Total	238	253	399	223.5	1113.5
Port Talbot					
	2012-2014	2014-2015	2015-2016	2016-2017	Total
Created	0	0	0	49.5	49.5
Safeguarded	0	0	0	8	8
Assisted	0	0	0	0	0
Total	0	0	0	57.5	57.5
Snowdonia					
	2012-2014	2014-2015	2015-2016	2016-2017	Total

Created	6	0	0	0	6
Safeguarded	2	0	0	0	2
Assisted	0	0	0	12	12
Total	8	0	0	12	20
All zones					
	2012-2014	2014-2015	2015-2016	2016-2017	Total
Created	623	648.1	845	882	2998.1
Safeguarded	2983	749	513	294	4539
Assisted	1536	463.4	602	568	3169.4
Total	5142	1860.5	1960	1744	10706.5

Definitions

Jobs Created – The gross number of jobs created achieved through direct assistance or financial support and did not exist prior to the activity.

Jobs Safeguarded – The number of permanent full time equivalent paid jobs in a client business which would have been lost and have been safeguarded through department support.

Jobs Assisted – The gross number of jobs created by businesses in receipt of less intensive forms of assistance from the Welsh Government.

Level of public investment for each of the Enterprise Zones per year

	2012-2014	2014-2015	2015-2016	2016-2017	Total
Anglesey	£658,148.00	£1,427,247.00	£2,194,298.00	£2,115,425.26	£6,395,118.26
Cardiff Airport & St Athan Public	£235,170.00	£2,887,033.00	£921,071.00	£9,759,970.82	£13,803,244.82
Cardiff Central	£22,663,932.00	£6,426,884.00	£19,333,358.00	£13,571,141.25	£61,995,315.25
Deeside	£16,631,844.00	£7,400,556.00	£3,270,591.00	£1,792,692.15	£29,095,683.15
Ebbw Vale	£3,890,719.00	£4,651,081.00	£7,500,217.00	£78,530,621.77	£94,572,638.77
Haven	£2,064,799.00	£1,927,000.00	£3,715,945.00	£1,610,720.04	£9,318,464.04
Port Talbot	£0.00	£0.00	£0.00	£3,797,667.28	£3,797,667.28
Snowdonia	£0.00	£1,016,341.00	£844,210.00	£306,112.61	£2,166,663.61

Please note the public investment figure includes public expenditure not just on businesses supported in the zones but strategic infrastructure and transport projects directly benefiting the zones and the surrounding areas.