

REPORT TO: ECONOMIC DEVELOPMENT COMMITTEE - 11TH SEPTEMBER, 2000

REPORT ON: GLOBAL DIGITAL CITIES NETWORK

REPORT BY: DIRECTOR OF ECONOMIC DEVELOPMENT

REPORT NO.: 577-2000

1. PURPOSE OF REPORT

1.1. To describe the proposal that the City of Dundee joins the Global Digital Cities Network and make recommendations regarding participation.

2. RECOMMENDATIONS

2.1. It is recommended that the Committee agrees that:-

2.1.1. Dundee City Council joins the Global Digital Cities Network;

2.1.2. Dundee City Council participates at the inaugural meeting of the network in Chunchon Korea in November of this year;

2.1.3. The City Council offers to hold the third annual meeting of the network in Dundee in 2002;

2.1.4. The financial provisions mentioned in the report are made available subject to the availability of resources.

3. FINANCIAL IMPLICATIONS

3.1. The costs for this in the current Financial year are estimated at £3,000 which can be met from within the Economic Development Department revenue budget for the provision for support for overseas activity.

4. LOCAL AGENDA 21 IMPLICATIONS

4.1. The City Council will ensure where possible that the principles of sustainable development will be incorporated into the workings of the network.

5. EQUAL OPPORTUNITIES IMPLICATIONS

5.1. There are no equal opportunities implications arising from this report.

6. REPORT

6.1. In January this year the Mayor Mori of Kakamigahara City in Japan approached the Council to join the G.D.C.N. This approach was made via a visiting professor from the University of Abertay Dundee who have a strong relationship with the University of Gifu. Kakamigahara is located in Gifu prefecture.

6.2. A visit from Mayor Mori and a small group from Kakamigahara followed this up on the 18th August. During that visit the Mayor took the opportunity to describe the initiative and the vision for the network. The idea for the network arose from a shared vision of the Mayor Mori and the Mayor of Chunchon City in Korea. They consider themselves to

be industrial cities with a strong knowledge and information base, who see themselves increasingly as part of a global economy.

- 6.3. Dundee and the established knowledge and information strengths of the City were brought to the attention of both Kakamigahara and Chunchon through the link between the University of Abertay Dundee and Gifu University. The link between Abertay University and Gifu goes back to 1996. Gifu University is one of only 12 national universities in Japan, and covers an extremely wide spectrum of faculties and subjects. In the faculty of computing, it has a virtual systems laboratory and around 500 students. Abertay is the only British university to have an exchange relationship with Gifu, and this has opened up a number of opportunities for staff and students:-
 - 6.3.1. A research and staff exchange agreement funded wholly by the Japanese government.
 - 6.3.2. A Japanese language course, attracting 60-70 first year students this year and enabling students to take placements in Japanese companies as part of their degree in Computer Arts or Computer Games Technology.
 - 6.3.3. 20-30 student placement agreements with blue chip companies, such as Sony, Playstation, Fujitsu.
 - 6.3.4. Involvement in the International Society of Virtual Systems and Multimedia. John Sutherland of the University of Abertay Dundee is the Director of the U.K. branch of V.S.M.M.
- 6.4. The Prefecture of Gifu is in central Japan, and has historically been seen as a backwater of the country, with a traditional industrial background, notably textiles. The three principal cities in the Prefecture are Gifu, Ogaki and Kakamigahara. The Gifu region is regarded as a worldwide hub for interactive 3D graphic work.
- 6.5. Kakamigahara is a new city, created by the amalgamation of a number of towns. It has a number of similarities with Dundee, has a population of 135,000, and has been modernising its economic base to establish a modern image nationally. Overall, Dundee appears to be ahead of Kakamigahara in the digital media R.&D. work at Abertay and funding of softer support, while infrastructure is more advanced in Japan.
 - 6.5.1. **V.R. Techno Japan** The Virtual Reality Technology Centre - V.R. Techno Japan - is a business and R&D park centred on VR related research and development. It is intended to provide a nucleus for the exchange of technology know-how between industry and R.&D., offering R.&D. space (24 development units), 10 incubation units for start-up companies and opportunities for collaborations and exchange. The headquarters of V.S.M.M. is located in the centre.
 - 6.5.2. **Softopia** Based in Ogaki, the Softopia Project is a software R.&D. base, intended to promote the application of multimedia in industry and a range of other areas, including medical care, education/culture and support for the disabled. Over 100 companies have located in its vicinity since it started operating in 1996.
- 6.6. Chunchon (population 250,000) promotes itself as centre of excellence in the fields of multimedia and visual image, animation, biotech, games development and fashion and design. It is a designated "Software Promotion District" and the city is working on developing a support system for industry and research institutions in multimedia, animation and computer games. Projects include a
 - 6.6.1. "High-Tech Venture Town" as a focus for the multimedia industry, comprising a multimedia technology support centre and a digital studio. The city is building up educational facilities and research institutes to provide skills and R&D in multimedia.

- 6.6.2. "Anitown", a centre for the animation industry, providing a one-stop shop for animation production. It will provide 80 incubation units.
- 6.6.3. A games development centre, providing incubation units for 30 companies and providing a centre for companies, universities and individual gamers setting up in business to work together on R.&D., marketing, logistics and supplies. The Korean games market is relatively unknown in the U.K. - in general the global market is fragmented.
- 6.7. There are considerable similarities between the cities. Dundee through the work of the games companies, the skills at both Universities particularly in the computer arts and animation areas and the determined push by all parties including the Council to promote a common Information and Communications Technology (I.C.T.) Strategy demonstrate the strong level of synergy with these cities.
- 6.8. Support has been expressed for the City joining the network from the University of Abertay and S.E.T. with both indicating that they will send representatives to the inaugural meeting in November in Korea. The University of Abertay see this as an ideal complement to the ongoing development of their contacts in Gifu and as a spring board to the rest of Japan and Korea.
- 6.9. The necessary commitment from the Council will be to lead the delegation to Chunchon in November this year and to formally join the network. The costs for this are estimated at £3,000 assuming one member and one officer from the Council and support given to others participating. A similar cost will be incurred for 2001 when the annual meeting will be in Japan. For the current financial year these costs can be met from the economic development revenue budget provision for support for overseas activity.
- 6.10. The immediate benefit to Dundee will be in reinforcing the link between Gifu and the University of Abertay Dundee where real benefits for the students of the City are already apparent. Subsequently the benefits should be a better understanding of the developments in these key 21st century industries and useful contacts with other small developing digital Cities. This initiative should also place the City of Dundee in a world context as a Digital City.
- 6.11. In order to reinforce this it is recommended that the Council offer to host the third meeting of the network here in Dundee in 2002. This will involve around 100 delegates from up to six countries for 3/4 days. The cost will be related to venue, translation, transport and hospitality and can be expected to cost around £15,000. The offer to host will however transmit to the other city participants that Dundee is serious about its participation in the network and should bring a significant benefit to the City from the delegates. The cost for this will require to be included in the budget for the financial year 2002/2003.
- 6.12. Overseas activity by Councils' requires approval of the First Minister. This is delegated to Scottish Trade International. The project has been discussed in outline with Scottish Trade International and they have indicated their support. Accordingly no difficulty is anticipated in gaining the requisite formal approval.

7. **CONSULTATIONS**

7.1. The Chief Executive and the Directors of Finance and Support Services have been consulted during the preparation of this report.

8. **BACKGROUND PAPERS**

8.1. No background papers, as defined in Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above report.

DIRECTOR OF ECONOMIC DEVELOPMENT**Date.....**