

WTCA Trade & Investment Report: Global Connections, Local Growth

Key Themes and Supporting WTCA Messaging

Below are some important key themes identified within the report, accompanied by supporting WTCA messages that put these findings in the context of our association.

These messages are intended to help tie the report's numerical data and conclusions back to the work our members are doing.

Key Theme #1: Urban outperformers create cities without borders

- Strategic partnerships between global and local stakeholders are the critical enabling factor for cities competing for Foreign Direct Investment (FDI) and seeking to expand local businesses' access to new markets.
- Cities with a WTCA member on average draw FDI per capita at twice the rate of their country, and export goods at 1.55 times the national level, per capita.
- These thriving FDI destinations are also engines of job creation, with every USD 1B in annual FDI associated with a 1.5 percent higher workforce participation.

» Supporting WTCA Messages

- Members of the WTCA are important pieces of a city's economic ecosystem, and play an important role in connecting local businesses and investors to global opportunities.
- By leveraging our global network, Members help to integrate their home cities to the international marketplace, which can have a profound positive effect on important building blocks of a strong and resilient economy, namely Foreign Direct Investment, exports and jobs.

Key Theme #2: Planes, brains and connectivity

- Hard infrastructure, a skilled workforce, and digital connectivity constitute core building blocks differentiating and strengthening cities' relative competitiveness.
- For every 1,000 passengers transiting through an airport, one can expect a USD 7.3M increase to local GDP, and a USD 30K increase in FDI inflows.
- Adding just 1,000 people with tertiary education to a city's population is associated with a USD 381K increase in FDI inflows by.
- Among cities with below average internet penetration (less than 54.5 percent), every 10-percentage-point increase in household internet penetration was associated with an acceleration in GDP growth by more than half a percentage point.

» Supporting WTCA Messages

- Many WTCs provide important facilities, and/or are closely associated with a municipal port/airport, and function in tandem with vital connective institutions
- A vast number of WTCA members have formal partnerships and associations with educational institutions, helping to drive education focused on the skills gap
- Through their own programming, many WTCs also provide vital trade and investment education to the business community
- As part of the critical, multi-institutional ecosystem, members act as an additional resource that boosts the capacity and ability of metro areas to provide vital facilities and services

Key Theme #3: Small companies are big business

- SMEs drive local growth and employment, constituting 50-60 percent of value added, and 70 percent of jobs in the OECD.
- The share of SMEs engaged in international trade is typically under 10 percent, underscoring the importance of trade-related support services—like those offered by WTCA Members—to unlocking their potential and making them an economic force multiplier for cities.

» Supporting WTCA Messages

- Small-to-medium-sized enterprises (SMEs) form the backbone of local economies around the globe, accounting for the majority of value-added products and services, and the lion's share of local jobs.
- However, SMEs are vastly under-represented in global markets.
- World Trade Centers provide a means for SMEs to enter the international marketplace and to grow beyond the city limits where they are located.
- As partners in business, local WTCA members play an important role to help local business unlock their true potential.