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Global Scotland Trade and Investment Strategy 2016-2021

Sanna Rimpilainen

Document reference number	DHI+DDMMYY+doctype+000X <i>DHI080516S0021</i> <ul style="list-style-type: none"> ○ E = exploratory report ○ L = lab report ○ F = factory report ○ S = summary document ○ LR = literature review ○ RR = research report ○ MR = market research ○ MAP = mapping ○ V=video ○ O= other
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Publication date	8/5/2016
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Revision number	

Purpose of document	Summarisation of documents of high importance for the Business Case
Project detail (delete row if appropriate)	(project name, project owner(s), dates, organisation(s) involved)
Other detail (delete row if appropriate)	

Related projects	Names and doc reference numbers
Keywords	One Scotland-approach; Innovation; Investment; Internationalisation; Inclusive growth; Increasing competitiveness; Tackling inequalities; Sustainability; Digital First; Living Wage;

Name of Strategy:	Global Scotland. Scotland's trade and investment strategy 2016-21
Date:	March 2016
URL:	http://www.gov.scot/Resource/0049/00495491.pdf
Key words:	One Scotland-approach, Innovation, Investment, Internationalisation, Inclusive growth, Increasing competitiveness, Tackling inequalities, Sustainability, Digital First, Living Wage
Why does this strategy exist? (what's the problem/opportunity this stems from):	The need to increase Scotland's global competitiveness and greater resilience to risk, and to give business the ability to compete and add the highest amount of value to goods and services.
Summary:	Scotland's economic strategy for 2016-21 which emphasises improving Scotland's global competitiveness and promotes Scotland as an international place to do sustainable business and to thus tackle inequalities in society.
Key goals and means to achieve them:	<ul style="list-style-type: none"> • Twin aim of economic strategy: 1) Improve competitiveness and 2) reduce inequalities. • The above are mutually reinforcing objectives. Creating a fairer society is vital for creating the conditions to deliver sustainable economic growth over the long term. Four priority areas underpinning the strategy: <ul style="list-style-type: none"> ○ Investing in people, infrastructures and assets ○ Fostering a culture of innovation; ○ Promoting inclusive growth and creating opportunity through a fair and inclusive jobs market and regional cohesion ○ Creating a country with an international outlook and focus, open to trade, migration and new ideas. • Keys to delivering the strategy: trade and investment, underpinned by a broad internationalisation framework (http://www.gov.scot/Publications/2015/03/3466/). <ul style="list-style-type: none"> ○ Dual ambition for trade and investment: to support sustainable business growth, and associated jobs and incomes across Scotland

through “more businesses selling more goods and services to a wider range of international markets”; and “attracting significant inward, capital and risk investment”.

- Eight point action plan for trade and investment:
 1. One Scotland approach - bringing together the diverse stakeholders (public, private and academic sectors) to use combined resources to collectively achieve the aims.
 2. Building Scotland’s profile and reputation as a connected, innovative and inclusive nation
 3. Digital First-approach to information, advice and support
 4. Action to help business play its part in promoting and respecting human rights, and to support development through trade; internationalise Scotland’s world leading approach to social enterprise.
 5. Supporting the three Innovation and Investment Hubs (in London, Dublin and Brussels offering a one port of call for investors into Scotland) with £3.5M in 2016-17
 6. A long-term plan to build Scotland as a global innovation centre to attract new forms of investment.
 7. Close engagement with existing investors to help them grow and expand; encouraging them to make the Scottish Business Pledge; becoming accredited as a “Living Wage Employer”.
 8. Attracting international capital for large scale projects and companies.

Global opportunities and Challenges:



Changing consumer demand – democratic shifts and increased affluence, urbanisation, new economies (India, China)

Technology – new market and investment opportunities due to technological advances in manufacturing and series industry. E.g. “in the “connected living” market, a trillion globally connected devices now form part of the “IoT”, unlocking new opportunities and new ways to do business.

Health care and Wellbeing - “with an ageing global population and increased emphasis on health and wellbeing, spend in this area is rising faster than per capita income. There is increased emphasis on prediction, diagnosis and monitoring; opportunities in areas such as genomics, gene therapy and assisted living, as well as wearable technologies, remote patient alarms and smart apps.”

Low carbon and clean-tech solutions

Responsible business - sustainability and ethics are becoming increasingly important for business models.

The Focus of SG will be on priority sectors and markets with realistic opportunities for Scottish companies to sell their products and services:

- Premium consumer products and services (e.g. whisky, seafood, textiles)
- Digital technology and high value manufacturing
- Skills, knowledge and innovation (incl. the development of Scotland’s innovation Centres will help provide solutions to global challenges and needs across a range of sectors and markets)
- Healthcare and wellbeing: “We will test and scale up new propositions in niche areas such as digital health, precision medicine and industrial biotech to realise trade and investment opportunities from increased global spend on healthcare and wellbeing”. (p. 19)
- Low carbon
- Responsible business



	<p>Scotland’s export market needs to increase with more SMEs exporting; new markets need to be found.</p> <p>“In 2013-14, exports to the rest of the UK increased by £1.5bn (3.2%) but challenging global economic conditions, especially in the Eurozone, resulted in a £0.9bn (3.2%) fall in international exports, from £28.4 bn in 2013 to £27.5bn in 2014²². However, over the last five years the total value of international exports from Scotland increased by £4.1bn (17.3%), from £23.4bn in 2010 to £27.5bn in 2014. Meanwhile, exports to the rest of the UK increased by £4.2bn (9.5%), from £44.3bn in 2010 to £48.5bn in 2014²³”. (p.29)</p> <p>Aim in attracting foreign investment in Scotland:</p> <ul style="list-style-type: none"> • To support sustainable economic growth across Scotland by attracting significant inward, capital and risk investment... • By attracting international capital investment to large scale projects • By focussing especially on Scotland’ strengths in innovation and R&D, remain the top region for Foreign and Direct Investment (FDI) in the UK outside of London • By enabling businesses with high growth potential to access a wider range of international institutional and VC risk capital investment
<p>Expected outcomes:</p>	<p>Increasing international investment and business in Scotland, creating more jobs and improving citizens’ lives.</p>
<p>Key quotes:</p>	<ul style="list-style-type: none"> • “Over the last 5 years Scotland’s international exports have increased by 17.3% - from £23.4 billion in 2010 to £27.5 billion in 2014.2 Meanwhile, Scotland has continued to be the most attractive place in the UK outside London for inward investment and events such as the Commonwealth Games and Ryder Cup have put Scotland firmly on the global map”. (p. 8) • “Innovation increases international competitiveness. It helps businesses develop products and services for international markets; and our strengths in innovation, research and development are increasingly important to attracting

	<p>investment to Scotland. Thus, our innovation support for business and our investment in university research and Innovation Centres supports trade and investment. In turn, inward investment transfers skills, technology and innovation to Scotland and there is evidence from the OECD, the UK and Scottish studies that as firms internationalise they become more productive and competitive. Exporting is also linked to higher levels of innovation for small and medium enterprises. “</p>
<p>Parent/child (of what document)</p>	<p>Child of/follows on from: Scotland’s International Trade and Investment Strategy 2011-2015. Putting Scotland on the map internationally. Putting international ambition on the map in Scotland. (no direct URL came up)</p> <p>Online link to this evidence based discussion paper: Scotlands%international%trade%20and%investment%strategy.pdf.</p>