Locate in Scotland

Role of Local Government in Foreign Direct Investment - Scottish Experience

Brian Shaw - Director Asia
Scotland in Profile

- Population: 5.1m
- Area: 78,133 sq km
- Workforce: 2.48m
- Unemployment: 5.6%
- GDP per head: £10,614
- Value of exports: £19.2Bn
- Universities: 13
- College: 46
The Scottish Experience

Alignment

Integration

Delivery

LOCATE IN SCOTLAND
Goals for Scotland

- Innovative far-sighted organisations
- An inclusive economy
- A competitive place

= Scottish Enterprise network contribution

Partners

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SE’s Business / The Business Environment

• Purpose
  “...to help the people of Scotland create and sustain jobs, prosperity and a high quality of life.”

• LiS contribution
  – Creation and safeguarding of jobs and wealth through inward investment.
Locate in Scotland

• Scottish Executive + Scottish Enterprise
  – joint venture

• Remit
  – inward investment
  – in context

• Scottish Enterprise Strategy
The New Global Competitive Environment

Globalisation
Increased Knowledge Intensity
Rapidity of Innovation Development of Networks
Knowledge Embedded in Products

Shorter Product Life Cycles

The Knowledge Age

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Operating Environment

Key Issues

• Globalisation.
• E-commerce.
• Competition.
• “Low” unemployment
• Assisted areas map
• Financial assistance limits
• Policy instruments v. economic goals
  – disconnect?
Scottish Enterprise

The Cluster Development Approach

- Inward Investment
- Skills Development
- Finance
- Start-ups
- Trade Development
- Physical Infrastructure

- Globalisation

- Companies
- Suppliers
- Customers
- Utilities
- Education
- Research Institutes

LOCATE IN SCOTLAND
Prioritising SE support to Clusters

Focus on what matters most

Direct/indirect importance to wealth & employment creation

Urgency of present situation

Can we establish real competitive advantage?

Can we have a significant impact on cluster development?

Long term growth potential

Locate in Scotland
Delivering “the best of Scotland”

CLIENT

The Scottish Executive

Locate in Scotland

Highlands & Islands Enterprise

Local Authorities

Private Sector

Scottish Enterprise

Local Enterprise Companies
The Process

- Scotland’s economic development strategy
- Market analysis
- Case identification
- Conversion
  - proposition / visit / assessment / decision
- Implementation
- Investor support
  - performance and development
Strategic Themes

• Strengthening key clusters
  - current & emerging
  - targets / material / support

• Moving Scotland up the value chain
  - Alba / R,D&D / existing base

• Inclusion
  - matching opportunities to needs

• Rural
  - rural team / local partnership / early success
  - target sectors / lead generation
SUMMARY OF RESULTS

PROJECTS 1995 - 2000

LOCATE IN SCOTLAND
Number of Projects by Geography

- Asia: 14%
- Europe (excluding UK): 36%
- North America: 43%
- United Kingdom: 7%

Locate in Scotland
Vision

• Strategically aligned
  – SE strategy / wider Government policy / specific contribution of inward investment / pro-active strategy stance

• Operationally integrated
  – with the rest of the SE Network / well connected to external collaborators (lead generation & “delivery of Scotland”)

• Customer orientated
  – understand needs / ensure needs are met / secure decision / assist implementation

• Knowledge centred
  – understand markets / understand Scotland’s capabilities to meet clients’ needs / “Deliver the best of Scotland” / develop and share knowledge
http://www.lis.org.uk