

Scotland's International Framework

US Engagement Strategy

December 2016



Scottish Government
Riaghaltas na h-Alba
gov.scot

SCOTLAND'S INTERNATIONAL FRAMEWORK US ENGAGEMENT STRATEGY

Introduction

The connections between Scotland and the US are strong, enduring and of such a scale that the US has remained Scotland's most significant international partner for many years.

Historically, Scotland and the Scots have played a profound role in American political, commercial and cultural life. The influence and attraction of the US resonates throughout Scottish society. More than 5 million Americans identify themselves as of Scottish descent, with nearly 3 million more as Scots-Irish.¹ This plan builds on that relationship, making the most of existing connections, creating new ones, and working together with partners in the US for our mutual benefit.

The US is Scotland's largest overseas market for exports, worth an estimated £4 billion in 2014², as well as the largest source of foreign direct investment³. Scotland attracts more visitors from the US than from any other overseas market, accounting for 16% of all of inward tourism visits and 23% of spending by international tourists.⁴

In addition to the economic benefits of the relationship, the US and Scotland share many aspirations and common challenges. We will work with partners across the US to provide leadership on issues such as the low carbon economy, an ageing population and the challenges and opportunities posed by disruptive new technologies. These and other challenges are best tackled through close collaboration, sharing our experience and the best of our expertise.

Scotland's international ambitions

One of the priorities of Scotland's Economic Strategy is internationalisation. The Trade and Investment Strategy published in March 2016 and the Phase 1 report of the Enterprise and Skills Review published in October 2016 both stress the importance of an open and international economy in achieving inclusive growth and prosperity. Our co-operation with the US fully supports these ambitions. The aims of internationalisation are defined in Scotland's International Framework:

- To create an environment within Scotland that supports a better understanding of international opportunities and a greater appetite and ability to seize them; and
- To influence the world around us on the issues that matter most in helping Scotland flourish.

¹ http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_10_1YR_B04003&prodType=table

² Export Statistics Scotland 2014

³ <http://www.ey.com/uk/en/issues/business-environment/ey-attractiveness-survey-2016-uk>

⁴ 2015 International Passenger Survey

Strategic objectives for engagement with US

Our International Framework has four strategic objectives, which set the context for our engagement with other countries. This strategy seeks to apply those objectives to our relationship with the US, making the most of existing connections while broadening the relationship in new and emerging areas of opportunity.

The strategic objectives apply across a broad range of sectors and issues. In our engagement with the US, we will focus on a number of key areas identified in the Scottish Government's Trade & Investment Strategy.⁵ These include:

- Premium consumer products and services
- Digital, technology and high value manufacturing
- Skills, knowledge and innovation
- Healthcare and wellbeing
- Low carbon

In addition, we will share ideas and best practice in priority policy areas for Scotland, drawing on the Programme for Government.⁶

Strategic Objective 1- Global Outlook

Aim: To enhance Scotland's global outlook, we will embed internationalisation and create an environment which encourages knowledge exchange. We will provide targeted support to our people, businesses and institutions to help them to seize international opportunities. We must also understand the impact of our work on others.

Trade and Investment

The US is Scotland's largest market for exports. The US remains a large, affluent, open economy with opportunities in both well-established and new sectors. It is consistently identified as a priority market for companies already exporting as well as those who aspire to export. Energy, life sciences, financial services, food and drink, the creative industries and tourism are among the key sectors where opportunities exist for Scottish firms. Raising awareness of these opportunities, especially among SMEs and high growth firms, and helping companies to exploit them is the central responsibility of Scottish Development International (SDI), working in partnership with chambers of commerce, business associations and other relevant organisations in Scotland. Maintaining and developing transport links between Scotland and the US in order to sustain business and other travel is also a priority.

Education

Educational links between Scotland and the US bring considerable value: Scottish students can develop the experience and connections necessary to work in a global

⁵ <http://www.gov.scot/Publications/2016/03/7779>

⁶ <http://www.gov.scot/About/Performance/programme-for-government>

environment; and American students studying in Scotland bring economic, social and cultural benefits. Exchanges in both directions support academic and business links between institutions and develop an affinity between the two countries, which over time can be sustained and developed by a growing community of alumni. Educational connections are strong, with opportunities available through many different scholarships and exchange programmes. It will be necessary to ensure that existing programmes continue to be used to the best possible effect. We will work with alumni networks to share their experience with others and encourage their on-going interest to encourage the growth of academic research and other connections.

What is our long-term ambition?

- Increase the number of companies, particularly SMEs, exporting to the US.
- Develop a self-sustaining network of individuals and organisations in Scotland to share experience and information about doing business in the US, and providing leadership to others.
- Strengthen educational connections between Scotland and the US at all levels, particularly the number of students participating in exchange programmes and their continued engagement as alumni.
- Ensure the sustainability of existing air routes and identify opportunities for increased capacity.

Strategic Objective 2 - Relationships and Partnerships

Aim: We will work with partners to share local knowledge and build bilateral relationships and networks. We will use these connections to create and shape opportunities of value to Scotland. We will continue to be a good global citizen, making distinctive contributions to addressing global challenges such as climate change, tackling inequality and promoting human rights.

Public diplomacy and governmental exchanges

Engagement with different levels of government within the US will allow us to exchange experience of policy development and the delivery of public services. It will help us to understand how political developments in the US might have an impact in Scotland. We will seek to promote those areas where Scotland has genuine best practice to share in policy development, while remaining open to learning lessons from national, state and local authorities. We will develop connections with federal level government and legislatures, through for example the Friends of Scotland caucuses in the Senate and House of Representatives. Engagement with individual state governments and agencies represents an opportunity to build connections with parts of the US where there is potential to develop partnerships that support Scottish interests in areas such as climate change. We will promote an awareness of Scotland in public discourse in the US by working with leading academic institutes, think tanks and other centres of expertise.

Diaspora engagement

The US is home to Scotland's largest overseas diaspora community, which most clearly manifests itself in the broad and diverse network of ancestral and cultural organisations that span the country. This community represents an enormous wealth of goodwill towards Scotland, celebrating and promoting Scotland's heritage and culture and offering connections to the business community. Other communities with a connection to Scotland, such as GlobalScots and university alumni, broaden the professional, academic and cultural networks available to Scottish organisations and help them understand and influence key issues in the US. Working with them will support our objectives across a range of sectors and topics.

Research, innovation and entrepreneurship

We aspire to be a world-leading entrepreneurial and innovative nation. Maximising the impact of Scotland's science and innovation base is best achieved through collaboration with global centres of excellence. The US is the world's largest source of scientific research, innovation, technological development and entrepreneurship. It is a leader in fields as diverse as digital connectivity and content, healthcare and wellbeing, and energy generation and distribution. While there are many strong existing collaborations between the Scotland and the US, we will continue to draw heavily on links with world-renowned centres of expertise in entrepreneurship and innovation to strengthen this relationship further and to attract US investment in Scottish science and innovation.

What is our long-term ambition?

- Deepen our understanding and connections with federal government and legislatures, and identify opportunities to develop relationships with state and local levels of government where there is a potential for collaboration in key areas.
- Ensure a thriving community of organisations in the US with an interest in Scotland's culture, supporting activity that draws on the best of Scottish heritage and history while also celebrating all modern Scotland has to offer.
- Develop strong networks of individuals and organisations with a professional or academic connection to Scotland, ensuring their continued goodwill and seeking opportunities to work with them on matters of mutual interest.
- Broaden and deepen the connections between the US and the Scottish research, innovation and entrepreneurial communities and explore the potential and viability of an Innovation and Investment Hub in the US.

Strategic Objective 3 - Reputation and Attractiveness

Aim: We are committed to building our reputation and international attractiveness by celebrating and promoting our culture and values, boosting our export performance, ensuring that Scotland remains an attractive location for investment and building on our education research capability.

Scotland enjoys a strong and positive reputation in the US. Much of this is linked to a traditional view of Scotland but increasingly provides an opportunity to develop and improve understanding of modern Scotland.

Scotland's cultural and heritage organisations are actively involved in promoting the full diversity of Scotland's rich, vibrant culture, raising awareness of what Scotland has to offer to the US and its people, while also opening up economic opportunities for Scotland's creative industries.

Research among US focus groups continues to highlight that Scotland's greatest appeal in the US market is as a country rich in cultural experiences and, particularly, as the home of golf. With leisure and business tourists from the US representing a significant proportion of overseas visitors to Scotland, promoting Scotland's attractiveness as a place to visit remains a high priority. We will continue to promote initiatives such as the Spirit of Scotland to develop positive, sustainable, community-led messages about Scotland's soul, guts, humour, fun, spark, determination and warmth.

What is our long-term ambition?

- For Scotland to be recognised in the US for the highest quality in tourism, food & drink and consumer products.
- For Scotland to be perceived by influential people in relevant sectors as a leading centre of entrepreneurship and innovation.
- Ensure Scottish cultural bodies, organisations and individuals have access to the best opportunities to perform and exhibit, and to participate in large scale events both in the US and to American audiences at home.
- To maximise the opportunity to increase demand for products and services.

Delivery

This strategy describes how the objectives set out in the Scottish Government's International Framework will be achieved in relation to the US. As such, reporting on progress in developing our relationship with the US will be included as part of the regular updates that we will publish on the International Framework.



Scottish Government
Riaghaltas na h-Alba
gov.scot

© Crown copyright 2016

OGL

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit nationalarchives.gov.uk/doc/open-government-licence/version/3 or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: psi@nationalarchives.gsi.gov.uk.

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is available at www.gov.scot

Any enquiries regarding this publication should be sent to us at
The Scottish Government
St Andrew's House
Edinburgh
EH1 3DG

ISBN: 978-1-78652-730-1 (web only)

Published by The Scottish Government, December 2016

Produced for The Scottish Government by APS Group Scotland, 21 Tennant Street, Edinburgh EH6 5NA
PPDAS85553 (12/16)

W W W . G O V . S C O T