

# **Scottish Government International Network Monitoring & Evaluation Report 2022-23**

**December 2023**

# Scottish Government's External Network: 2022/23 Monitoring & Evaluation Report



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# Executive Summary

This report provides findings from the joint monitoring and evaluation process for Scottish Government and Scottish Enterprise/Scottish Development International (SDI) external network.

This process, alongside joint business planning, has become a core part of collaborative working across nine locations where both Scottish Government and Scottish Enterprise/ SDI have a physical presence within a given country – Brussels, London, Canada, China, France, Germany, Ireland, Nordics (Copenhagen), and USA.

This joint work is supported by two main pillars – the long term strategic outcomes and the priorities mandate. The long term strategic outcomes sit alongside the priorities mandate to inform how the network should pursue these outcomes in the context of any given year. Each location reports against the five strategic outcomes in this report. These are:-

- Reputation – improving Scotland’s international profile
- Investment – attracting investment
- International Trade – helping businesses to trade internationally
- Research & Innovation – promoting and securing research and innovation capability, partnerships and funding
- Scotland’s Interests – protecting and enhancing Scotland’s interests in the EU and beyond

All of the offices are provided with a template document which they are asked to complete. The template is designed to provide a consistent approach across the offices and contains guidelines to help facilitate the robustness of the process.

Specifically each location is asked to report against a number of contextual factors as well as against each of the five strategic outcomes. The contextual areas which offices provide evidence for include:

- Context for reporting year including office location, staffing and headcount
- Overall reflections on biggest achievements and challenges over the last year
- Medium to long-term impact
- Lessons learned for reporting year including what could have gone better and areas for improvement in the coming year.

# Introduction

This publication contains the monitoring and evaluation reports from nine locations where both the Scottish Government and Scottish Enterprise (SE) / Scottish Development International (SDI) have a physical presence within a given country. These locations are: Brussels, London, Canada, China, France, Germany, Ireland, Nordics (Copenhagen), and USA. This joint monitoring and evaluation process, alongside the joint business planning process between the Scottish Government and SE/SDI, have become a core part of collaborative working across these nine locations.

This joint work is supported by two main pillars – the long term strategic outcomes and the priorities mandate. The priorities mandate is designed to help ensure a coherent and responsive approach from the international network to the strategic priorities for Scotland in any given year with priorities set directly by the Cabinet Secretaries with responsibility for the international network. The long term strategic outcomes sit alongside these to inform how the network should pursue these outcomes in the context of any given year. These are:-

- Reputation – improving Scotland’s international profile
- Investment – attracting investment
- International Trade – helping businesses to trade internationally
- Research & Innovation – promoting and securing research and innovation capability, partnerships and funding
- Scotland’s Interests – protecting and enhancing Scotland’s interests in the EU and beyond

An additional key activity that the International Offices focus on and which helps contribute to the wider objectives set out above is facilitating cultural exchanges and events.

Additional details regarding the strategic objectives that the offices work towards and business plans for each of the offices can be found here: [International offices: strategic objectives](#).

While all offices have monitored and reported on the work undertaken in respective countries/locations, it is important to note differing sizes and scale of the offices, the varying levels of co-location of Scottish Government/SDI staff (and Scotland Europa within Brussels) as well as the length of time in which they have been in operation. For example, Scotland House Brussels and the Washington DC office have been operating for more than twenty years, whilst Scottish Government opened its Nordic office in Copenhagen last year, complementing the existing SDI presence there.

A key contextual feature affecting the work of all of the offices in 2022/23 has been the lifting of Covid restrictions and gradual return to in-person meetings and events.

Whilst this has affected the work of every office it is worth noting that variations in approach and timing between countries with regards to a return to pre-pandemic ways of working will likely have had a differential impact on some offices.

As part of a commitment to continuous learning, improvement and transparency the Scottish Government undertakes an annual monitoring and evaluation process with regards to the work of the International Offices. This activity focusses on identifying successes, as well as areas where there have been challenges and areas for improvement. The outputs of the evaluation are aligned to the strategic objectives set out above. Additional details regarding the process of evaluation can be found within the methodology chapter of this report. The budget of each office during this reporting period has also been included in Annex B of the report in order to aid context setting.



# Methodology

Given that there are nine locations distributed across the globe which feature within the evaluation, a self-reporting approach has been identified as the most appropriate and proportionate approach to evaluation. In order to facilitate the robustness of this process, analytical professionals within the Scottish Government design the self-reporting process and provide oversight and quality assurance with regard to the outputs that are provided by each of the locations.

All of the offices are provided with a template document which they are asked to complete (see Annex A for details on what this contains). The template is designed to provide a consistent approach across the offices and contains guidelines to help facilitate the robustness of the process. Specifically each location is asked to report against a number of contextual factors as well as against each of the five strategic outcomes. The contextual areas which offices provide evidence for include:

- Context for reporting year including office location, staffing and headcount
- Overall reflections on biggest achievements and challenges over the last year
- Medium to long-term impact
- Lessons learned for reporting year including what could have gone better and areas for improvement in the coming year.

As previously discussed all of the locations work towards a set of shared strategic objectives which were published in 2022. Each location is required to provide both qualitative and quantitative information regarding their performance against each objective via the self-reporting template. This includes information on their main aims with regard to the objective, what went well and what did not, relevant statistical data, challenges as well as a case study for each objective.

It should be noted that in order to reduce the burden of reporting and ensure proportionality each office is limited to one page of reporting information per strategic objective. The rest of this report will consist of the returned templates provided by each office alongside a conclusion.

Some of the statistical data that is reported, particularly around trade, investment, and GlobalScots, is provided via Scottish Development International (SDI). SDI is the international trade and investment arm of Scottish Enterprise, Highlands and Islands Enterprise and South of Scotland Enterprise and works closely with Scottish Government's international offices to deliver against the international trade and investment economic agenda and manage the GlobalScot network.

Where international trade opportunities are reported it should be noted that these relate to introductions made by SDI in-market specialists based in a relevant country to advance discussions with international buyers looking to source particular products and services from Scottish exporters.

International sales relate to projects where a company is forecasting sales in a particular market (or multiple markets) and where SDI support has made a significant contribution to the delivery of these forecast sales. These figures show the contribution that individual offices (or countries) make towards SDI's international sales but this measure may include duplicated figures where a project spans more than a single country.

Lastly, it should also be noted that trade figures for China include Hong Kong.

**Canada**

## Context for 2022/23

Based in Ottawa and supported by three staff (two of them Scotland-based, the other locally engaged), SG Canada entered FY 22/23 with a changeover in personnel – with our new Head of Office joining post in June 2022. This meant a large focus for SG Canada in Q1 was on the induction of the new Head of Office and ensuring his programme included a range of introductions with all of our key stakeholders in both Scotland and Canada. SG Canada continued to work with a ‘Team Scotland’ approach throughout 22/23, by engaging with Visit Scotland and Transport Scotland (on the visit of Cabinet Secretary for Constitution, External Affairs and Culture, and the WestJet launch of new direct routes to Scotland), Universities Scotland, Entrepreneurial Scotland and the Scottish Parliament. In country, SG Canada also worked with partners such as the University of Guelph, Scottish Society of Ottawa, St Andrew’s Societies of Montreal and Toronto and ScotCanBC to enable greater collaboration and amplify Scotland’s reputation across Canada.



This year was the office’s first full non-COVID year meaning events, Ministerial and official level visits and travel were very much back in full swing. SG Canada was happy to return to the normalcy of ‘contact sport’ diplomacy by facilitating two Ministerial visits, one senior official visit and travel throughout the country to meet with Ministers, Mayors, diaspora members, academia and officials in six of Canada’s provinces and territories. SG Canada was thus able to participate in and coordinate various events linked to key SG policy areas and cultural diplomacy.

## Reflections

SG Canada’s footprint and visibility across Canada was enhanced significantly this reporting year through increased travel and introductory calls undertaken with the new Head of Office. Meetings and events took place all over Canada, from visits on the east coast such as Halifax, Quebec, Montreal and Toronto to the other side of the country visiting Vancouver, Whitehorse, Calgary and Edmonton. Across all of these visits, SG Canada was able to promote Scotland as a modern, innovative and outward looking nation during meetings on policy priorities such as climate, biodiversity, culture, energy, period dignity, Indigenous relations and diaspora engagement.

Both the federal government and the provincial / territorial authorities present Scotland with a variety of partnership opportunities. The Government of Canada is like-minded on climate, biodiversity and energy goals – underlined in meetings with SG Ministers and officials at New York Climate Week, COP27 and the biodiversity COP15 in Montreal. Engagement with provincial and territorial governments in Quebec, Ontario, Nova Scotia, British Columbia and the Yukon have enhanced our engagement on some of those same policy files but also energy, economic development, culture and language, universities and the Arctic. Ultimately, the challenge for this office is focusing limited resource on the opportunities that are most beneficial to Scotland.

# Reputation

**Diaspora Engagement:** For Tartan Day 2022, in collaboration with the Ontario Government and the Mayor of Niagara, SG Canada held a diaspora event in front of the Niagara Falls, which were lit up in the colours of the Saltire to celebrate the connections between our nations. Enhanced visibility of the office at two of the largest Highland Games in Canada. Hosted reception and spoke at flag raising in honour of St. Andrew's Day and Ontario Scottish Heritage Day. Attended the Scottish Society of Ottawa (SSO) Hogmanay – during which a message from the FM was played after that of PM Trudeau – and provided remarks at their annual Kilt Skate alongside the Mayor of Ottawa. Attended the SSO and SAS Montréal's celebrations of Burns Night.

**Scottish Talent:** Proactively amplified artistic and athletic Scottish talent in country throughout the year – promoting both Scottish artists at the Celtic Colours International Festival and Scottish authors such as Michael Pedersen, Hollie McNish and Irvine Welsh at the Toronto Intl. Festival of Authors. Hosted the team representing Scotland at the LGBTQ+ International Rugby Tournament and attended a reception alongside other diplomatic missions during which PM Trudeau provided virtual remarks.

**Gaelic Month:** Led the organisation and amplification of Gaelic Month in Nova Scotia. The Cabinet Secretary for Education and Skills provided virtual remarks for the official launch – which was celebrated in Parliament by two Canadian MPs.

**Political / Diplomatic:** Proudly marched with the Saltire alongside the diplomatic corps for Capital Pride. SG Canada attended Burns Night on the Hill hosted by the Speaker of the House of Commons and attended by various Cabinet Ministers.

## Case study: The Celtic Colours International Festival

Inspired by Scotland's Celtic Connections, the Celtic Colours Festival in Nova Scotia encompasses a wide range of cultural events: from Gaelic singing and highland dancing, to artist-led workshops and school presentations on Celtic history. Having spotted Scottish talent in the line-up – and given the dates aligned with parliamentary recess – SG Canada seized the opportunity to simultaneously support the participating artists and enhance our relationship with federal and provincial politicians from the region. Through collaboration with the Government of Nova Scotia, SG Canada was able to put together an intensive four-day programme (including meetings with the NS Deputy Premier and two NS Deputy Ministers, plus federal MPs and Senators) which culminated in the team hosting an event within the margins of the festival.



SG Canada successfully built on previous connections with the Government of Nova Scotia in order to maximise the reach of our engagement with the Celtic Colours International Festival – which resulted in high-level attendance at our reception, including the Lieutenant Governor of Nova Scotia and several federal and provincial Members of Parliament. Such presence increased the credibility of SG Canada and significantly enhanced the visibility of the office amongst the largest community of Scottish Gaels in Canada. Looking ahead, SG Canada expects that the relationships strengthened through our involvement with Celtic Colours will facilitate an upcoming visit from the External Affairs Secretary in the coming year – in a province where Scotland can now easily secure a blend of high-level interlocutors and activity in the fields of academia, business, culture, language, research and innovation, and all levels of government.

Engagement between **6 SG Ministers** and **8 Canadian Ministers** (federal and provincial) to discuss **7 SG priorities**. Enhanced social media presence with **5,526** Twitter followers as at 31/3/23 (**232 new followers**) and maintained an average **3.4% engagement rate**.

- **2,997** likes and **739** retweets
- **430,000** impressions
- engagement from **6** diplo. missions
- engagement from **4** fed. ministries

**Cabinet Secretary for External Affairs interviewed** by The National Post – one of the largest Canadian news outlet.

Canadian media published **177 articles of Scottish interest** with themes surrounding key SG priorities such as...

- Sport, Tourism and Culture
- International Relations

# International Trade

**Direct Flights:** SG Canada and Visit Scotland supported the launch of new direct service from West Jet and Air Canada between Scotland and Canada, and extensively promoted the flights on social media.

**Food & Drink:** Boosted engagement in the alcohol sectors of Ontario and Québec – and achieved increased export sales for established and growing Scottish distilleries. SDI have developed strong connections with key retailers like Sobeys and Metro for dairy products – which included a successful reception in Toronto, showcasing Scottish cheeses with a number of buyers.

- Kept SG Ministers informed of latest economic developments in Canada.
- Supported **42** companies in consumer industries.
- Forecast international sales as a result of SDI support totalled **£26.6 million**.

## Case study: Inward Mission with SAQ

Throughout the year, SDI have been successful in building their connections with the SAQ – the corporation responsible for the trade of alcoholic beverages within the province of Québec. In October 2022, SDI's In-Market Specialist hosted the two senior decision-makers (Spirits Director and Whisky Category Director) from the SAQ for an inward mission in Scotland. With an extensive week-long tour of the country – including Glasgow, Edinburgh, Speyside and the West Coast – the programme imparted on them the inimitable story and provenance that Scotland brings to bear through its whisky. Mission attendees had meetings with 25 EGP whisky distilleries to discuss Canadian export possibilities, increase allocations for 2023 and beyond, and generally build growth directly with some of the most important buyers in the market. Given that the SAQ controls commercial sales of all spirits across Québec (Canada's second most populous province) – including the entire off-trade / on-trade channels, as well as the urban regions of Montréal and Québec City – the mission was crucial in supporting Scottish companies increase their share of the market in Canada.

On the back of their visit, the SAQ either increased allocation with existing Scottish distilleries in their portfolio or placed orders with new ones – as such, the forecast international sales from these meetings are currently sitting at £9,057,300 and SDI estimates that approximately 154.5 jobs were created or safeguarded as a result of the mission. Nearly six months of planning were required ahead of the mission and SDI invested £10,000 for the activity – all of which was possible through wider collaboration across SDI's Events and F&D Teams. Together they facilitated significant increased sales in the largest portfolio of Scottish companies active in Canada.

Following the tremendous success of the mission with the SAQ, the upcoming financial year will see another mission taken to Scotland in May 2023 – this time with the Liquor Control Board of Ontario (LCBO) and with support from DBT. Given that LCBO generates yearly more than twice in revenue than the SAQ, this represents an important step towards opening up the market to Scottish companies already active or with an interest in Canada.

# Research and Innovation

**SCGA:** SG Canada welcomed the Scottish Council on Global Affairs (SCGA) within the margins of their first official visit in Ottawa. SG Canada worked closely with SCGA on their programme of activity by facilitating meetings with interlocutors from the Arctic field and supporting two events at the University of Ottawa on the topic of ‘Scotland’s Place in the World’ and ‘Feminist Foreign Policy Approaches’.

**Yukon University:** Hosted the Chancellor and Vice-President of Yukon University (northernmost and newest university in the country) at the SG Canada Office. Followed up in the Yukon with meetings and an interactive session with post-graduate students leading research on mutual areas of interest (the Arctic, Indigenous climate leadership and resiliency).

**Arctic:** Facilitated knowledge-exchange with the SG Head of the Arctic and Nordic Unit in Ottawa throughout the Northern Lights Conference and attended meetings such as introductory discussion with Memorial University.

- Facilitated **11 engagements** with leading Canadian universities via meetings, visits and events.
- Collaborated with Scottish and Canadian stakeholders on a **joint panel discussion** featuring the External Affairs Secretary and encouraging sustainable recovery for the tourism industry, which garnered an audience of **150+ viewers**.
- SG Canada participated in two **‘Meet and Greet’** events with faculty and students of the University of Guelph and Yukon University.

## Case study: University of Guelph

Ahead of Tartan Day, SG Canada seized the visit of the External Affairs Secretary as an opportunity to build on our relationship with the University of Guelph – which had previously focused on the traditional links between Scotland and Canada. Through the organisation of an engaging panel discussion on sustainable recovery for the tourism industry, SG Canada supported Visit Scotland in highlighting what modern Scotland has to offer to the academic community of the University of Guelph – home to the largest centre for Scottish studies outside of the UK. SG Canada was successful in facilitating a wide-ranging programme for the Cabinet Secretary – which enabled a series of exchanges with students and faculty, and as a panellist, informed the wider Scottish diaspora on progressive policies of the Scottish Government. Following the visit, SG Canada maintained proactive contact with the University of Guelph – with whom we collaborated on digitally amplifying our office’s key activities throughout the year (Gaelic Month, TIFA, Winter Festivals, and COP15) and organised interactive sessions between SG Canada and post-grad students upon arrival of the new Head of Office. Our engagement with Guelph later led to connecting their Chair of Scottish Studies with SCGA in Ottawa – thus fostering academic ties between our countries and securing our reputation / interests in this crucial area of cooperation.

SG Canada was successful in achieving the intended outcome of strengthening links between Scottish and Canadian universities in both directions as our engagement with the University of Guelph has recently led to the conceptualisation of the Scotland-Canada Academic Partnership (SCAP). Through this partnership, SG Canada and the University of Guelph aim to facilitate channels of communication that will promote exchanges between scholars in the two countries with mutual research interests, highlight their research to the wider community, and bring them into closer contact to nurture new research agendas across a broad range of disciplines. By securing ministerial engagement with the University of Guelph, SG Canada was able to elevate our relationship with senior members of their institution – such as the Chair of Scottish Studies and the Vice-President Research – in a way that has considerably increased awareness of Scottish expertise in research and academia with a much larger audience of Canadians.

**Ministerial Visit:** Team Scotland in Canada welcomed a visit from SG Minister for Business, Trade, Tourism and Enterprise in Vancouver – which included two meetings with leading Canadian-based companies Carbon Engineering and Clir. The meeting with the latter converted into a successful inward investment project, whilst the former continues to make progress with Scotland remaining a key strategic location for future investment. Earlier this calendar year, Clir landed a 60 high-value jobs project in Scotland – making Glasgow the home of their European headquarters. Apart from working in renewable energy, the company is pivoting into insure-tech – which signifies Scotland as one of the key locations for fintech industry in the region.

**Pandemic Restrictions:** FY 2022-23 marked SDI's first year post-pandemic fully operating in a non-virtual environment, which significantly helped re-establish their network of strategic partners and engagement with key customers. Balancing the reality of COVID-19 was a concern throughout the year but as the team resumed business related travel, local stakeholders were delighted to be reconnecting and the return to in-person conferences continued to facilitate the growth of our networks.

- Secured investments for the creation of **210 RLW planned jobs**, including **73 green jobs**.
- Landed **6 inward investment projects** as a result of SDI support.
- **£420,000** planned R&D Investment

## Case study: Northland Power

Managed by Crown Estate Scotland and announced in mid-January 2022, ScotWind enabled developers to apply for seabed rights to plan and build windfarms in Scottish waters. Toronto-based **Northland Power** secured one fixed and one floating site off the coast of the Outer Hebrides – namely *Spiorad na Mara* (Spirit of the Sea) and *Havbredey* (Isles on the Edge of the Sea). This followed a significant amount of engagement from Team Scotland in Canada, who actively engaged with the company at various levels to support their growth in Scotland.

In the past, SDI have engaged with Northland Power in multiple meetings attended by the former FM and the External Affairs Secretary with aim to encourage a collaborative approach in maximising overall economic impact. Northland Power having expressed their interest in supporting Scotland's ambitious energy transition to net zero through these renewable energy projects, Team Scotland in Canada seized the opportunity to maintain and build on our relationship with them.

Apart from **representing a multi-billion dollars investment and securing over 100 highly skilled jobs**, these two projects will create huge opportunities for local supply-chain companies across offshore wind industry value chain. Offshore wind projects are expected to transform the future of the energy landscape and, therefore, SDI have worked closely with Northland Power to support their current and planned commitment to Scotland.

Through continued engagement with Northland Power, the company has notably decided to remain in Scotland for the lifespan of their ScotWind projects until decommission. They have proactively engaged with Scottish stakeholders to ensure they are delivering benefits to local communities – including how to alleviate fuel poverty through hydrogen and combating depopulation through good quality jobs, as exemplified by their MoU with Lews Castle College. Northland Power have also planned for an additional 100 staff in legal and engineering specialties (working with local consultants such as Arcus and Exodus, amongst others) – thus seeking to further build on their relationship with local interlocutors and decision makers as they look to become fully operational in 8-10 years.



# Scotland's Interests

**Parliamentary Engagement:** SG Canada engaged with the Legislative Assemblies of three Canadian provinces, built strong relationships with federal MPs and Senators, particularly whilst visiting their home provinces such as Nova Scotia and Alberta during Parliamentary recess. Supported the inward visits of Ontario and Federal Parliamentary Interns to Edinburgh – ensuring their programmes were extensive and included meetings with Ministers and senior officials. Attended the reinstated Burns Night on the Hill – a celebration of Robert Burns and Scotland in the Federal Parliament of Canada, hosted by the Speaker and attended by numerous Cabinet Ministers and MPs from across Canada.

**Government to Government:** Facilitated numerous Ministerial bilaterals with provinces such as Ontario, Quebec, British Columbia, Alberta and Nova Scotia. Met at official level and Cab Sec level with two out of three of the Premiers of Canada's Territories and SG Canada met the Deputy Premier of Nova Scotia. Engaged with the federal government at senior official level across departments such as NRCan, Crown-Indigenous Relations and Parks Canada. Supported the visits of two provincial Agent Generals to Scotland with programmes covering business, academia culture and energy. Met with Mayors across the country – from Whitehorse to Halifax, and the Deputy Mayor of Toronto.

**Profile Raising Events:** SG Canada hosted a reception for the Scottish Council on Global Affairs within the margins of their visit with attendees such as Senator Boehm, Chair of the Senate's Foreign Affairs and International Trade Committee. SG Canada attended diplomatic events throughout the year – including those hosted in Parliament and celebrating National Days. Attended Royal Canadian Geographic Society's annual event, which featured remarks from former PM Jean Chrétien.

- **27 GlobalScots** in total – incl. **5** new recruits in 2022/23
- CabSecCEAC met with **2 Global Scots** in Toronto and SG Canada have been **actively recruiting** a female Global Scot from the **Canadian Arctic**.
- SG Canada actively engaged with the diaspora – with **Scottish societies from Vancouver to Toronto, Ottawa and Montréal**. SG Canada met with all of the above and attended / co-hosted events with ScotCanBC, St Andrew's Society of Montreal and Scottish Society of Ottawa.

## Case study: Visit from SG Director for External Affairs

SG Canada welcomed our first senior visitor to Ottawa since the First Minister visited in 2019. Scott Wightman, Director for External Affairs visited for a two-day programme, which covered meetings with academia, diaspora, federal MPs and Senators, as well as various federal government meetings and a provincial government engagement. The visit took place shortly after the Scottish Council on Global Affairs visit to Ottawa, so the SG office worked hard to ensure that momentum for engagement with Scotland was sustained throughout the month. The visit included important meetings with various members of the Canada-Scotland Parliamentary Friendship Group, as well as academics from both the University of Ottawa and Carleton University and the co-chair of the Convention on Biological Diversity – a real opportunity for Scotland just a fortnight before COP15 kicked off in Montreal.

The benefit of this visit to SG Canada was significant. Firstly, it presented the opportunity to underline that - post-pandemic – there was a return to overseas visits to Canada to further objectives and build load-bearing relationships with key stakeholders. Secondly, the meetings with the federal government offered a chance to build on our relationship with Canada at a senior official level – for the first time in country, particularly in key areas such as Hydrogen and Indigenous Relations. Such conversations served us well as we followed up on Hydrogen at a more technical level and as we liaised with National Museum of Scotland on the return of the Nisga'a memorial pole. Engagement with the Co-Chair of the Convention on Biological Diversity meant SG Canada was able to facilitate a Ministerial level meeting two weeks later at COP15, which led to SG Biodiversity officials contributing directly to a CBD press release at COP.

## Medium to long-term impact

### Last reporting year

Our proactive engagement with various representatives of Indigenous Peoples in attendance at the COP26 in Glasgow opened doors for SG Canada. Through our support for groups such as Indigenous Clean Energy (ICE) and the Inuit Circumpolar Council (ICC), SG Canada was able to secure participation from two SG Ministers for events alongside leaders and youth within the margins of the conference – and their counterparts from the Government of Canada. Following such collaboration throughout COP26, the Head of SG Canada received an invitation for the Canadian launch of the UN International Decade for Indigenous Languages – for which the Governor General provided opening remarks. SG Canada was also invited to the ‘Northern Connections, Northern Conversations’ event hosted by the Royal Canadian Geographic Society (RCGS), the Inuit Art Foundation and the Canada Council for the Arts – and again seized the opportunity to further amplify and connect with prominent Indigenous leaders.

Since the establishment of SG Canada, the team have sought to promote Scotland as a modern, dynamic and progressive country. SG Canada has again developed our relationship and increased our engagement with **Indigenous Peoples** this year on areas of mutual interest such as climate leadership, stability in the Arctic, and period dignity. We will continue to work proactively on enhancing Scotland’s modern day reputation as a nation engaged in inclusive solutions to the global challenges that we share today.

### This reporting year / Q1, Q2

SG Canada enhanced our knowledge of Indigenous traditions and practices by having the privilege to attend a Pow Wow with Indigenous stakeholders in Edmonton. With thanks to the relations built at this Pow-Wow, SG Canada attended a moving event to mark National Truth and Reconciliation Day in Ottawa later in the year. Through our international climate collaboration at COP27 and the Arctic Circle Assembly, we critically built our reputation amongst the Territories that form Northern Canada – notably by connecting the Premier of the Northwest Territories and the Scottish External Affairs Secretary in Reykjavik. With such proactive engagement, SG Canada aim to progressively establish ourselves as a reliable partner and advocate for Indigenous Peoples – as exemplified through our collaborative approach in engaging with NMS on return of the Nisga’a Pole.

### This reporting year / Q3, Q4

Through our continued engagement with Indigenous Peoples – and the prominent organisations and high-level politicians who actively amplify their voices – SG Canada was able to secure meetings with Indigenous interlocutors in priority policy areas. When the SG DEXA Director visited Ottawa, SG Canada seized the opportunity to strengthen connections with the Federal Government’s Crown-Indigenous Relations Department by hosting a lunch. In addition to enhancing connections at government-to-government level, SG Canada took the opportunity to engage with Senator Pat Duncan – a champion of period dignity in the Yukon and vocal supporter of Scotland’s Period Products Act. Connecting her with Scott Wightman increased the credibility of this office and made her an even closer friend of Scotland. Senator Duncan and her office have since proactively coordinated meetings between SG Canada and groups such as the Council of Yukon First Nations and the Yukon Anti-Poverty Coalition – who have expressed their enthusiasm in exchanging knowledge on period dignity, gender equality, and health provision in rural communities in upcoming meetings this month in the Yukon. This will mark SG Canada’s first official visit to the Yukon and a significant step in our Indigenous engagement – the strength of SG Canada’s programme can be linked to the long-term engagement we have led with the Territories, Indigenous groups and decision-makers at federal level. SG Canada will continue to work with policy colleagues to scope opportunities to further develop such relationships.

### Lessons learned for FY2022-23

Ultimately, the challenge for SG Canada lies in focusing limited resource on the opportunities that are most beneficial to Scotland – and the past financial year has taught us the importance of responding creatively. SG Canada recruited the assistance of a Saltire Intern for the summer – which considerably strengthened our digital engagement / outreach across Canada whilst simultaneously supporting key partners, Entrepreneurial Scotland, again this year.

**China**

## Context for 2022/2023

The Scotland in China Network is a partnership between the Scottish Government and Scottish Development International with the purpose of strengthening our political, economic, culture, education, and social relationships with China in keeping with our values. The network includes 4 full time members of staff (one diplomat and three country-based staff) working for the Scottish Government Office (SG) in Beijing, and 13 full time members of staff (all country-based staff) working for Scottish Development International (SDI) in Beijing (4), Shanghai (6), Guangzhou (2) and Hong Kong (1). All offices sit on the FCDO platform providing both security, office space/facilities, along with the opportunity to collaborate closely with the wider UK Network in China on issues that matter to and benefit Scotland. In order to ensure that our economic, diplomatic and cultural activity is focused on the Scottish Government's priorities of tackling the dual climate and biodiversity emergencies, supporting economic recovery, ending child poverty and reducing inequalities, we arrange our work across three pillars: climate and environment; people-to-people links (education, culture, tourism, social responsibility policy); and trade and investment.

## Reflections

For the majority of the period, until December 2022, China's Zero Dynamic Covid policy impacted on our ability to travel, hold in-person events, and meet people face-to-face. We managed this through virtual events and activity, increasing our reach on social media channels, and where possible facilitating engagements at international multilateral events. Examples included hosting a Biodiversity Roundtable virtually to pave the way for meetings between Scottish and Chinese delegations at COP15; starting a new social media series of 'Great Scots in China' to illustrate some of the roots of our enduring people-to-people links; and paving the way for some Scottish brands to sell on Chinese e-commerce platforms for the first time. From January onwards, we focused on re-invigorating our relationship including through visits to Shanghai, Guangzhou and Shenzhen; and hosting and supporting a series of events to promote Scottish culture, produce, priorities and build links with our key stakeholders including alumni. This included three postponed St Andrew's Balls in three locations over three consecutive weekends in March with a total of over 800 participants.

An ongoing challenge with a particular impact on trade and investment is navigating the geopolitical context given many projects extend over several years. In our company interactions we also note an increase in geopolitical concerns posing a barrier to companies and their senior management having confidence to trade with China or invest in the UK.

# Reputation

We focused on raising Scotland's profile on a wide range of issues including culture and festivals, climate change & biodiversity and social policies through visits, events and social media promotion. We continued to engage **diaspora groups to celebrate Scottish traditions** in China and **showcase the best of Scotland** by promoting key themes across a series of events. Some examples include promoting:

- **tourism** as part of our sponsorship of the Beijing Scottish Society's St. Andrew's Day celebration in step with Visit Scotland, and to encourage tourists to start travelling to Scotland again post-Covid.
- **sustainability and protecting the environment** at an event for alumni in Beijing including sustainable whisky brand.
- **culture, food and drink** at our official Burns' Night in Beijing including brands breaking into the Chinese market.
- **higher education opportunities** in partnership with Scottish higher education institutions at the Highland Games event we sponsored in Beijing; and fostering alumni links through dedicated events hosted by us and sponsoring and supporting Alumni Society hosted events in Beijing, Shanghai and Guangzhou.

- **192,800** followers on Weibo & WeChat, **up 13%**
- **15 million** impressions
- **Ministerial engagement** tweets generated **2.47 million** impressions, up 48%
- **Burns Night** vlog gained **5.18 million** impressions & 583 new followers
- **63 posts on climate and biodiversity** generated **1.45 million** impressions
- **China's top print media** coverage on Fife's green hydrogen project
- 200 mentions in Chinese media articles

## Case study: Engagement with Local Government

As we reinvigorated our links post-Covid, we focused on engagement with Provincial Governments and major cities outside Beijing, including visits to Zhejiang Province, Shanghai, Guangzhou and Shenzhen. Each visit served a multiple purpose. In Zhejiang, SG and SDI partnered to showcase a portfolio of whisky and premium lifestyle products targeting the luxury market; and to promote people-to-people links and cultural heritage. In Shanghai, we focused on re-engaging alumni, the Shanghai branch of the Friendship Association to discuss cultural links and future opportunities to showcase Scotland, met Scottish businesses along with SDI and supported Shanghai British Chamber's Burns night. In Shenzhen and Guangzhou, China's third and fourth largest cities by GDP respectively, we met local government officials to discuss Shenzhen-Edinburgh twinning relationship and upcoming opportunities, visited the Shenzhen side of the Edinburgh-Shenzhen Creative Exchange (joint incubator for creative and tech sectors), and engaged with alumni.



- 4 provinces/ cities visited after 3 years of isolation during Covid
- Through Zhejiang Province visit:
  - Showcased portfolio of 9 whisky and premium products, leveraging opportunity for listing in small chain of luxury resorts in China targeted at high-net individuals.
  - Launched 'Great Scots in China' series on social media to promote people-to-people links, starting with Scottish doctor who established medical facilities in Zhejiang in early 20<sup>th</sup> century and built a castle in the 'Chinese highlands' in Moganshan to illustrate how Scottish people linked with Chinese communities and how the links have endured.
  - Created links with local government and businesses that we can build on in future.
  - Enhanced coverage through SG and SDI social media channels, gaining nearly 32,000 impressions.

We continued to support and enable Scottish companies to trade with and compete in China by facilitating secure and profitable routes to market, while continuing to expand our proprietary network of buyers and partners to offer more market entry options to Scottish exporters. The impact of Covid on 2022 meant almost no international travel, however, whisky and salmon exports continued to rise with China becoming 5<sup>th</sup> and 3<sup>rd</sup> largest markets respectively. We also saw new brands sell on Chinese e-commerce platforms for the first time. We continued to develop Scotland's reputation in offshore wind and hydrogen with one Scottish company posting record revenue. We continued to build a pipeline in Fintech and Medtech. China continues to be a challenging market given Chinese Government emphasis on domestic industry and reducing reliance on foreign technology. However, where Scotland has a clear advantage, such as in decarbonisation technology and other innovation, we continued to see doors open to us.

SDI Social Media:

- 43 WeChat posts (Facebook equivalent): **10,487 Total page views.**
- 32 Weibo posts (9Twitter equivalent): **246,816 Total page views.**

- **103** companies supported
- **105** international trade opportunities identified
- **£37,500,000** forecast international sales as a result of SDI support

*(Figures include Hong Kong)*

## Case study: Fintech

Due to Covid, 2022 was a very challenging year as China was not a top priority for Scottish Fintechs given travel restrictions. This led the team to trial a new approach. With support for the S&T Asia and the Sector Team in Scotland, China Fintech team launched a series of initiatives for scoping opportunities in China with an aim to attract more attention and interest from Scottish Fintechs. We started with a focused market research on Fintech Opportunities in China and the Greater Bay Area (the Peral River Delta area consisting of Hong Kong, Guangzhou, Shenzhen, etc.), shared the research report with the Scottish Fintech community during the Scotland Fintech Festival and promoted the opportunities through various channels such as social media, events and activities organized by SDI and partners. We also attended the Fintech Exhibition at the 16<sup>th</sup> Shenzhen International Financial Expo to showcase Scottish Fintech capabilities, which drew great attention from the local media and industry and thus raised awareness of Scotland as leading Fintech cluster in Europe.

Outputs and outcomes:

- **a focused market research** project conducted with various opportunities identified in payment and transfer, wealth management, open banking and Regtech etc.
- Over **20 1-2-1 follow-up** sessions on specific opportunities from Chinese companies which resulted in **5 successful business matchings** for Scottish companies such as FNZ, BR\_DGE etc.
- **Scottish Fintech Exhibition** at trade show to showcase Scottish Fintech capabilities and raise awareness of Scotland which attracted 5 local media and **1,000 visitors**
- a focused China briefing session and a further **5 postings on social media** to promote opportunities in China and Fintech ecosystem in Scotland.

When the tight Covid restriction measures continued in China during the first 9 months of the financial year of 2022-23, it was difficult for any organisation to deliver in-person events including Scottish universities. The SGO Beijing fostered cooperation with existing partners to incorporate the higher education theme in events and social media posts whenever possible to increase the visibility of Scottish universities. One of our most successful vlogs of the year was our interview with Scottish alumni, filmed alongside an alumni event we jointly hosted with the Embassy's Chevening Team. We interviewed ten graduates from **8 Scottish universities** who shared experience of living and studying in Scotland. The remarks highlighted the warm welcome they felt in Scotland to the high quality of teaching. The vlog gained **1.4 million** impressions on Weibo.

- In-person and virtual engagement with **12** Scottish universities
- **4** in-person alumni events in Beijing, Shanghai and Guangzhou
- **19 posts** on Higher Education throughout the year on social media, generating **1.71 million impressions**
- **10 posts on Research & Innovation**, with 93,000 impressions

## Case study: Promoting Higher Education Links

In Scotland, 25% of international students in higher education are from China. Throughout Covid, the numbers remained steady. Many students return to China to work and want to stay in touch with Scotland and Scottish culture. They become de facto ambassadors and help us to maintain Scotland-China links. The SG Office supported universities to reach out to potential new students and continued to foster our links with alumni through:

1. SGO and SDI China jointly sponsoring the Highland Games in August in Beijing. The event was Scotland's biggest public in-person engagement of the year, attracting 1,000 participants.
2. Hosting and sponsoring **4 alumni events** in Beijing, Shanghai and Guangzhou including a **Scottish Connections: Alumni Event** in February.

### Highland Games in Beijing

- Coordinated Scottish higher education showcase, attended by seven Scottish universities and institutions.
- Promoted Scottish food and drink suppliers in China including whisky.
- Show cased traditional sports and ceilidh dancing, attracting a bigger audience through social media
- In 2023, acting on positive feedback we will continue to promote branding, raise profile of Scottish companies, higher education and to connect with alumni.

### Scottish Connections: Alumni Event in Beijing

- Engaged with over 70 graduates from 12 universities, including those who travelled from Shanghai and Shenzhen specially to join the event.
- Showcased climate change theme, including key speech from alumnus of Dundee University now working for a key energy company in China.
- Promoted sustainable whisky brand, linking with SDI, along with whisky tasting and talk on how Scottish distilleries have adopted sustainable approach and production.
- Created linked-vlog illustrating alumni experiences of living and studying in Scotland, generating over 1.4m impressions.

# Investment

Across the Asia Pacific the Inward Investment Strategy is focused on Net Zero and targets offshore wind, hydrogen and low carbon heating. China is a key target country within this focused programme of work and has relevant major companies in each of these areas. The Asia Pacific Inward Investment team works across the Asia Pacific region to share learnings gained as we target similar companies to continually improve our Consultative Sales approach. A good example of the effectiveness of this approach has been seen in the way we target companies that can invest in the development of the capability to design, build and operate facilities to manufacture and assemble floating offshore sub-structures. The consultative sales approach allows us to co-develop opportunities and then effectively progress them through the sales stages of the project irrespective of the sector in which they fall. A good example is the successful landing of the life science company Accubio's investment in Alva with 125 jobs.

- **3** inward investment projects landed as a result of SDI support
- **530** planned total jobs
- **530** jobs created/safeguarded paying RLW
- **£2,100,000** planned capital investment

## Case study: Offshore wind and hydrogen supply chain, Foreign Direct Investment (FDI) approach in China

In FY2022/23 we continued to focus our FDI approach on Chinese offshore wind and hydrogen supply chain companies. Targeting key supply chain gaps which could be appropriately addressed through FDI including the manufacture and or assembly of turbines blades floating substructures sub-sea cables and electrolyzers.



Some outputs and outcomes of the year include:

- We presented Scotland's OSW market opportunities at the top offshore wind conference in China with 600+ audience. Top Chinese companies are now well aware of strength and the supply chain opportunities in Scotland, which helped built up the investment pipeline.
- Through awareness raising activities including organising a hydrogen HPO webinar with DBT and promoting hydrogen investment opportunities through our social media channels. 10 potential investors, in particular Chinese electrolyser manufacturers, are now well informed and engaging in discussions.
- The success of this awareness raising, and targeted client outreach is evidenced by the very strong inward investment pipeline that has been built-up and deep engagement with key potential Chinese companies particularly on turbine and blade, floating substructure, and subsea cable manufacturing. The projects have delivery timelines spanning 1-3 years with each potentially creating several hundred jobs in Scotland.



# Scotland's Interests

Through a range of engagements and events, we promoted Scotland's goal for a just transition to net zero and 'whole of government' approach to tackling the dual climate-biodiversity crisis. We also promoted Scotland's values and the importance of social inclusion through development of social enterprises. This included, but was not limited to:

**Edinburgh Declaration:** through targeted discussions, and in partnership with ICLEI, **Kunming** signed the Edinburgh Declaration. This was a key milestone in our advocacy of the Edinburgh Declaration, and paved the way for future discussion and collaboration with China on protecting biodiversity including at COP15.

**Webinars** (a way to connect when in-person events were not possible):

- through co-hosting with the China Youth Climate Action Network (CYCAN), we showcased Scotland's approach to a just transition and importance of local communities and youth taking environmental protection action. Two distilleries supporting sustainable production presented their approach to local industrial transformation to over 100 participants. The Weibo live stream attracted over 7,000 views and generated 90 comments.
- through a partnership with the Social Enterprise Academy China, we introduced Scotland's approach to supporting the development of social enterprises inside and outside Scotland to over 80 NGO participants from across China. Participants were keen to learn about Scotland's world leading social enterprise support ecosystem.

- **18** GlobalScots in total
- **1** new GlobalScot recruit in 2022/23

## Case study: Biodiversity

China's Presidency of COP15 was a good opportunity for SGO to engage on biodiversity protection and ensure local government had a voice. We:

- worked with ICLEI (Local Governments for Sustainability) to help build links with local government, focusing on Kunming, and paving the way for greater advocacy through Edinburgh Declaration.
- co-hosted the **Scotland-China Roundtable on Biodiversity** virtually with ICLEI and Kunming local government in November before COP15.
- engaged NatureScot, Royal Botanic Garden Edinburgh, Kunming Institute of Botany (KIB), Chinese Academy of Sciences experts.
- coordinated bilateral meetings between Scotland and Kunming at COP15.
- facilitated Ministerial-level participation at each other's side events at COP15 (Edinburgh Declaration, China Day).
- used social media channels during COP15 to promote SG's position on biodiversity and the ministerial engagements.

Outputs and outcomes achieved included:

- Continued engagement on biodiversity despite Covid restrictions at a crucial time ahead of and during COP15.
- Lessons, practical steps and key messages and goals experts hoped would be covered at the conference shared with Minister in advance and paving way for further constructive discussion at COP15.
- Building links and relationships for future including between Ms Slater and Mayor of Kunming.
- Strong networking developed at COP15 with participation on panel discussion at the Edinburgh Process side event hosted by SG; and SG participation in China Day.
- Wider impact on social media achieved with 442,000 impressions.
- Key links with local government the SG Office can build on in future on biodiversity and wider issues.

## Medium to long-term impact

There are six twinning agreements between Scottish and Chinese regions, cities and towns. These tend to be between local authorities, and perform an important function to help maintain and build people-to-people links, cultural and sporting exchanges, and opportunities for businesses. An example is the twinning relationship between Shenzhen and Edinburgh. Shenzhen has a population of about 20 million. In 2022, its GDP was 3.24 trillion RMB (about £380 billion), ranking 10th in the world and 5th in Asia. It hosts more than 100,000 foreign enterprises. It was one of the first cities in China to embrace a low-carbon approach and set up a Carbon Exchange. 2023 marks the 10-year anniversary of the first MoU signed between Edinburgh and Shenzhen (Guangdong Province).

**2013** – Lord Provost of the City of Edinburgh Council and Deputy Director General of Shenzhen Municipal Bureau of Culture, Sports and Tourism signed MoU on Establishment of Edinburgh-Shenzhen International Creative Industry Incubation Centre. This was witnessed by the then Scottish Minister for External Affairs and International Development, Humza Yousaf.

**2015** - Edinburgh-Shenzhen Creative Exchange (ESCE) established to provide incubator and soft landing space for the creative and tech sectors from each city.

**2017** – the then Party Secretary of Guangdong Province, Hu Chunhua, visited Edinburgh on a visit to the UK, accompanied by a business delegation and political leaders from Guangdong. The visit included a visit to Edinburgh University's Centre of Robotics. When the then First Minister, Nicola Sturgeon, visited China in 2018 she met Hu Chunhua who was at that point China's Vice Premier.

**2018** - Merchiston Castle School opened its first overseas campus in Shenzhen.

**2019** – the then Lord Provost of the City of Edinburgh and Mayor of Shenzhen signed a twin-city agreement.

**2023** – SG Office visits Shenzhen, and along with SDI met local government officials to discuss upcoming opportunities to build on the relationship and in particular links with Edinburgh. We visited the Shenzhen side of the Edinburgh-Shenzhen Creative Exchange run by the Doctorate Association including a tour of one of the companies that has benefited and sits on the platform, Moying Technology (a robotic spin-out from the University of Edinburgh's Centre for Robotics).

Relationships and connections are built up over several years, between people-to-people, businesses, local government and Ministers. There is lots of scope to continue to build the links between Edinburgh and Shenzhen, Scotland and China. In 2023, we expect in-person visits between the two cities to resume. The links bring benefits to Scotland, whether it is supporting SMEs and tech companies to get a foot on the ladder (like Moying Technology) or providing Scottish businesses to find a base in China (like Merchiston Castle School) or agreements to facilitate research exchanges (like the agreement between Edinburgh University and Shenzhen Peoples' Hospital on diabetes) or to explore potential investment opportunities (like SDI's scoping visit to Shenzhen in February on hydrogen).

## Lessons learned for FY2022/23

Against the backdrop of Covid restrictions and pandemic, we learned how to **adapt** as a network in order to continue to operate and deliver our objectives. Our top priority was **protecting staff welfare**, and **providing support** for one another through our network. We all learned how to **change plans** often at short notice and **be ready to respond** to situations that could change quickly, including **coordinating and collaborating** with the overarching China Network and when in crisis mode. We sometimes having to postpone, cancel or change events at short notice. We became **more adept at running hybrid and virtual events**, and **using our social media channels** to maintain and build our people-to-people links and utilise more fully across such a vast geography. It was a difficult period, but these are all lessons and skills that we will retain and help us as we seek to reinvigorate our links and increase engagement in the year ahead.

**France**

## Context for 2022/23

Team Scotland France consists of Scottish Government France Office and Scottish Development International (SDI) France. The team work out of the British Embassy in Paris.

In Summer 2022, the Deputy Head of Office in the Scottish Government Team changed, and the team retained its size of three members of staff. The SDI team welcomed a new Account Executive in Science and Tech, making a team of nine sector leads. The joint priorities of Team Scotland France reflect the importance of energy security and transition, including COP27 and COP15, and we also supported a number of ministerial visits and in-person events following the COVID-19 pandemic. SDI continued their focus on food and drink, life sciences, technology, space, and energy.

Team Scotland France also work with Embassy teams to promote Scottish interests.

## Reflections

The Office had a successful year, facilitating and supporting a number of in-person events and visits following the COVID-19 Pandemic.

**Our St Andrew's Day event, held at the Embassy, was our biggest cultural and trade event of the year.** Co-hosted by the British Deputy Head of Mission and the Scottish Government Cabinet Secretary for Rural Affairs and Islands, we showcased over 20 Scottish food and drink brands to over 250 guests, including key business contacts and potential investors in France.

We also successfully supported **five ministerial visits to France (and two virtual engagements) as well as supporting an incoming French ministerial delegation to Scotland and a bi-lateral meeting at COP27.** One of our most significant events was the **unveiling of a plaque at the historic Hôtel des Invalides in Paris**, which commemorates Scottish soldiers who have fought on French soil since the Auld Alliance of 1295. We have also successfully further developed relations **with multilateral organisations based in Paris, such as UNESCO and OECD**, and we will continue to build on this in the coming year.

One significant challenge the Office faced in the third and fourth quarters of the business year was the **industrial and social action taking place across France due the French Government's pension reform bill.** This caused the cancellation or postponement of some of our events/visits. This may continue into this business year, and we will therefore continue to monitor the socio-political situation closely as we have been doing; reporting back to Ministers and colleagues in Edinburgh and adjusting our plans as necessary.

In a year largely unaffected by pandemic restrictions, we have worked to build Scotland's reputation and presence in France; supporting a suite of Ministerial visits and meetings (five ministerial visits and two Ministerial videoconferences), as well as an inward visit to Scotland by French Minister and a bi-lateral at COP27. We have also maintained and grown our relationships with print and broadcast journalists. We have built relations with the new French Government following the presidential and parliamentary elections and continued to solidify our excellent relationship with the Brittany Region (despite industrial action leading to the cancellation/delay of two of our joint planned events). We have helped showcase Scotland at sports events, such as the Six Nations Tournament halftime. We have also helped promote Scotland's reputation on the multilateral stage, primarily through strengthening our relationship with UNESCO and the UK Delegation to UNESCO; allowing us to host and participate at events at their HQ in Paris.

- **4,830** Twitter followers in total as at 31 March 2023 – **444** new followers
- **9,830** Twitter likes and **2,542** retweets
- **1,434,900** impressions on Twitter
- **19** proactive media articles involving Scotland and a total of 296 articles monitored mentioning Scotland
- One televised interview involving a Scottish Minister (Angus Robertson with 'Talking Europe' by France 24)
- Maintained relationships with 20 journalist contacts and made 5 new relationships with print and broadcast journalists (Les Echos, Politico, France TV, Le Point, AFP)

## Case study: Cabinet Secretary for External Affairs Visit to Paris

Ministerial visits and engagements are an excellent tool in building our relationships in France and increasing Scotland's reputation. We supported the new Scottish Government Cabinet Secretary for External Affairs in his first visit to France in October 2022. This was a chance for us to build relationships with a newly formed French Government (appointed in 2022).

A key part of this visit was to unveil a commemorative plaque at Les Invalides; honouring Scottish soldiers who fought on French soil over the centuries (which is open to the public). The France Office had been working on this important and poignant event over the past year, receiving backing from French President Emmanuel Macron; a significant moment in Franco/Scottish relations.

Our team were able to organise and support a suite of engagements covering culture, climate and energy, business, EU relations, and France-Scottish relations.



The main outcome of this visit was unveiling of a commemorative plaque at Hôtel des Invalides, alongside the British Ambassador, French Veterans Minister, and a number of French and British military personnel. This helped enable an the inward visit of the French Veterans Minister to Scotland. The Scottish Cabinet Secretary also co-hosted a lunchtime reception with the assistant Director General for Culture at UNESCO and the UK Delegation to UNESCO. The event focussed on the award winning Digital Trail which promotes sustainable tourism round all Scotland's UNESCO designated sites – the first of its kind. He also met with the new French Europe Minister, reiterating our shared objectives and goals with France and Europe as well as the new French Culture Minister; reiterating our ongoing work on a joint Culture Statement of Intent. He also met the DG of France's Biodiversity Agency, where we agreed to support an inward visit for them to learn more about Scotland's work to protect Biodiversity. He also visited Edrington's new Paris Office.

The visit also resulted in successful communication outputs, including:

- ✓ A televised interview on the France24 show 'Talking Europe', which was broadcast several times.
- ✓ A media roundtable which resulted in an article in the French magazine 'L'Opinion'; and we built a new contact with Politico.
- ✓ A positive article was also published in 'French Morning' on the Digital Trail following our event at UNESCO.
- ✓ Eight organic posts were published on our Twitter (@ScotGovFrance), resulting in 100 new followers including the French Veterans Minister and the French Europe Minister. Our posts were seen 74.8 thousand times.

# International Trade

We have continued to support Scottish businesses source and secure business opportunities in France, under the context of the [Scotland: A Trading Nation](#) strategy. We have worked this year on the following priorities: Life Sciences (including pharmaceutical services, MedTech, animal health, agritech and green chemistry); Technology (including space, fintech and sustainable construction); Energy and Low Carbon Transition (including offshore wind, low carbon and hydrogen technologies and nuclear decommissioning); and Food & Drink (including seafood, spirits and premium groceries). We have organised several trade-focused events, including an Offshore Wind and Marine Environment workshop (alongside Department for Business and Trade (DBT), and attended and supported Scottish interests at major exhibitions, including Hyvolution, MedInTechs, AgeingFit and the Salon d'Agriculture.

- **115** companies supported
- **140** international trade opportunities identified
- **£74,000,000** forecast international sales as a result of SDI support

## Case study: MedInTechs Trade Show

Life Sciences and medical technology is a growing trade and investment opportunity for Scotland, and France has one of the most advanced Health ecosystems in the world; a perfect place for Scottish companies to do business.

MedInTechs is France's major Medtech innovation trade show (under the patronage of French President Emmanuel Macron) which aims to bring together the public and private ecosystems to build the future of healthcare. This year, SDI France supported a Scottish pavilion which hosted a delegation of Scottish companies. The team liaised with over a dozen interested companies. This resulted in four companies committing to attend.

SDI, working closely with the organisers to secure significant discounts, helped companies by taking care of the organisation and assisting with marketing, registration as logistics including flights and hotels. SDI colleagues then helped companies to set up their stalls at the event.

The exhibition brought together more than 10,000 visitors and 200 exhibitors. Within the UK Village, SDI France brought a delegation of four Scottish companies (Optos, LumiraDX, Cardioprecision, Novosound), and DBT four further British companies. LumiraDX partnered with the "French Heart Alliance" (Alliance du Coeur) in order to perform live diagnostics under the surveillance of a medical board. The exhibition brought a number of positive outputs and outcomes for SDI France and the companies who we supported:

- ✓ Two companies (Optos and LumiraDX) were video interviewed by the organisers, and will be featured on their website and social media.
- ✓ LumiraDX will be interviewed for a French TV Programme ('Minute Medical' on BFM TV) on their ongoing work.
- ✓ The French Health Minister visited the Scottish stand, helping to increase visibility.
- ✓ The CEO of Digital Medical Hub, the Head of Procurement of AGEPS and the President of the Franco-British Hospital met with companies to discuss marketing opportunities.
- ✓ Cardioprecision's CoreVista product had its first onstage demonstrations.

Whilst working with French businesses on our International Trade and Investment objectives, we seek to show Scotland as a place where innovation is an intrinsic part of our culture, society and economy. We also promote Scotland's excellent research ecosystems, such as our world-leading universities and innovation centres, which conduct research in a variety of areas, including medicine, energy technology, and space and science, to name but a few. We have also worked with French companies to seek innovative solutions in Scotland; introducing them to Scotland's sectors and companies.

## Case study: Hydrogen and Decarbonisation

### Scottish Government's £10M Emerging Energy Technologies Fund (EETF) Hydrogen Innovation Scheme (HIS)

SDI and Scottish Government have facilitated discussions between Scottish and French hydrogen players with the objective of encouraging the creation of international consortiums to respond to the H2 funding call launched by Scottish Government last year. We helped organise introductions and meetings between French and Scottish companies: Sofresid (Saipem) with European Marine Energy Centre (EMEC), Sakowin with Locogen and Scottish Gas network, H2X with Hydro-C. We have also worked with French organisations to help them find innovative and creative solutions which Scottish companies can offer, including with H2X Ecosystems, Ariane Group, Colas Rail, and Elogen.

### Brittany Scotland Maritime Decarbonisation Collaboration

Following the discussion between the Scottish Government Business and Trade Minister and Brittany's Vice-President of the Sea and Coast, during their visit to the Floating Offshore Wind Turbine conference in Montpellier in May 2022, SDI and Scottish Government organised, alongside Bretagne Development Innovation (BDI), a webinar dedicated to collaboration opportunities in the maritime sector. This webinar highlighted capabilities of successful Scottish companies who were awarded projects part of the Clean Maritime Demonstration Competition fund.

### Scottish Government's £10M Emerging Energy Technologies Fund (EETF) Hydrogen Innovation Scheme (HIS)

As a result of the introductions and meetings organised:

- A Non-Disclosure Agreement was signed between H2X and Hydro-C, and Sofresid and EMEC.
- EMEC and Sofresid were awarded £150,000 for their HySKUA project: a study that will focus on offshore production of green hydrogen on a floating hydrogen production hub co-located with Scottish offshore windfarms.

### Brittany Scotland Maritime Decarbonisation Collaboration

As a result of the webinar:

- Approximately 70 people participated on the webinar including representatives from 15 Scottish companies.
- A document in French summarising Scottish maritime decarbonisation projects and their associated companies was shared with Breton stakeholders as well as a summary of Horizon funding calls related to maritime decarbonisation.
- A Non-Disclosure Agreement was signed between H2X and EMEC to further identify collaboration opportunities between both companies.



# Investment

Our mission is to grow Scotland's exports, increase inward investment to Scotland and secure new capital investment, in part to fund a *just transition*. Our team here has continued to showcase Scotland to French companies as an excellent place to do business.

Our focus is defined by the priorities of Scotland's three internationalisation plans (plus additional context from [A Vision for Trade'](#)) which guide our approach to growing trade, attracting inward investment, and increasing capital investment flows into Scotland. All of our activity aims to respond to the [National Strategy for Economic Transformation](#) and to contribute towards Scottish Enterprise's focus on entrepreneurship, global talent, innovation and delivering large scale economic opportunities including those aligned to the seven [National Programmes](#).

Through our values-led approach, the aim is to deliver fair work, net zero and inclusive and sustainable economic growth which improve communities and places across Scotland; spreading increased wealth and wellbeing.

## Case study: Energy Transition Focussed Inward Investment

Energy Transition is a key investment opportunity area for Scotland; particularly the Offshore Wind and Hydrogen sectors, which offer significant investment opportunities for international companies.

France is the 2<sup>nd</sup> largest inward investor country in Scotland\* with the presence of a large number of French energy companies such as Total Energies, EDF, Vinci Energies, Veolia, SPIE, ENGIE, Technip Energies etc.; all increasing investment in renewable energies and therefore representing a huge potential for inward investment.

Given the strategic fit between the Scottish opportunities and the French companies' inward investment potential, SDI Paris has engaged in a series of investment activities to promote the Scottish offshore wind and hydrogen investment opportunities and to identify new inward investment leads and progress existing projects.

These included the Floating Offshore Wind Turbine event (FOWR), the Seanergy Exhibition and Conference, the Wind Europe conference, the Floating Offshore Wind Conference and Exhibition, an EVOLEN mission to Scotland, and Hyvolution. (*\*number of projects.*

Source: FDI Markets 2022)



Scotland's Offshore Wind and hydrogen investment opportunities were showcased to a large number of French and international companies throughout the year in different geographical locations and in targeted, sector specific events. Some of the main outputs and outcomes of this effort were:

- More than 100 company engagements from the energy sector resulting in a strong pipeline of potential inward investors.
- More than 40 companies visited Scotland to explore investment and business opportunities and having ongoing SDI support.
- Building strong relationship with French Scotwind developers and planning to work with them to attract their supply chain companies to set up in Scotland.

# Scotland's Interests

Working with Scottish diaspora organisations, businesses, trade expositions, UK Government colleagues and our active Global Scots Network, one of our objectives was to promote Scotland as a modern, green and open-facing country; ready for business and keen to work with partners both in France and in Scotland. Alongside promoting and showcasing Scottish culture and talent, we aimed to raise Scotland's profile in France as a nation that is not only about "salmon and whisky" but one which has much to offer in a wide range of areas such as medical tech, space, energy, and the wider food and drink sector.

We recognise that many organisations, events, and Global Scots are based outside of Paris, and there is a rich variety of Scotland-related activity taking place in France. We already have strong links with Brittany, and we work to engage with other French Regions to promote Scotland's interests.

- **29** GlobalScots in total – **4** new recruits in 2022/23
- Scotland is represented in France via many **diaspora association and friendship groups** that we partner up with during our events such as: the Caledonian Society of France, The Auld Alliance Association and university alumni networks.

## Case study: St Andrew's Day Event

Our biggest event of the year was our St Andrew's Day event co-hosted by the Scottish government Cabinet Secretary for Rural Affairs and Islands and the British Deputy Head of Mission at the Embassy. Co-funded by SDI and Scottish Government, with a contribution from our lead sponsor "Label Rouge Salmon", the event's aim was promoting a variety of Scottish food, drink and textile brands. Scottish companies supported the event by providing produce and also marketing material, with some coming to Paris to showcase their products. SDI secured a partnership with Le Cordon Bleu Paris cooking school, where students assisted Embassy chefs in the kitchen (part of a wider collaboration with Seafood Scotland). Before the event, we also supported Label Rouge Salmon to celebrate their 30<sup>th</sup> anniversary by hosting a conference where the Cabinet Secretary for Rural Affairs spoke. It was also an opportunity to help mark the Caledonian Society of France's 100<sup>th</sup> anniversary.



Scotland was showcased to over 250 attendees as an innovative, outward facing and creative nation with a rich cultural heritage that is ready to do business. Some of the main outputs and outcomes were:

- 20 Scottish brands promoted, proving that Scotland is more than just "salmon and whisky".
- Showcasing Scotland as an innovative country ready to do business, with an "innovations gallery" that had a focus on 7 Scottish companies with an innovative story behind their product or concept (such as food packaging and technology etc.).
- Partnering with Visit Scotland to promote Scotland as a great place to visit with a rich cultural heritage, by having a Harris Tweed exhibition (promoting sustainable fashion); having a Visit Scotland photobooth, and showcasing 5 Scottish authors who have had their work published in French.
- Identifying approximately 11 trade opportunities; strengthening relations with at least 3 major existing investors and meetings being arranged with at least 3 importers.
- 7,258 impressions on our Twitter posts.

## Multilateral Engagement: UNESCO

Paris is home to the headquarters of numerous international organisations, including UNESCO and OECD. This year, we put particular effort into growing our presence at UNESCO, where we were able showcase Scotland and learn from other country delegations on important issues such as culture, education, heritage, and languages. Scottish Government France Office led on two events this business year with UNESCO:

### Scotland's UNESCO Trail Event

The Scottish Government Cabinet Secretary for Constitution, External Affairs and Culture co-hosted this event in October 2022 with support from the UK Delegation to UNESCO. We also had the Assistant Director-General for Culture at UNESCO and the Chair for the UK National Commission for UNESCO Board of Directors deliver speeches. This event strengthened our relationship with UNESCO, the UK Delegation to UNESCO, and the National Commission for UNESCO in the UK, as well as welcoming and building relationships with over 50 UNESCO delegates from various missions.

Primarily, this was an opportunity to showcase the innovative '[Scotland's UNESCO Trail](#)' (which has won various awards including Tourmag's 'Cesar for Sustainable Tourism' Award at a ceremony in Marseille; the Foundation Award for UNESCO Territories 2022; and the Wanderlust Sustainability Award). The Trail also featured in four French online articles following the event.



### World Mother Language Day

In February 2023, we participated in UNESCO's annual World Mother Language Day event, organised and run by the Bangladeshi Delegation to UNESCO. This was an excellent opportunity to raise awareness of two of Scotland's indigenous languages: Gaelic and Scots, as well as to promote elements of our food and drink industry, culture, and efforts to develop sustainable tourism.

We also built more contacts with other UNESCO country delegations thanks to this event.



## Medium to long-term impact

### Case Study - Green Research Project for Offshore Wind & Hydrogen

In 2020/2021, our team ran a **green research project** to help foster Franco-Scottish collaboration **in the field of offshore wind and hydrogen technologies**. The European Marine Energy Centre (based in the Orkney Islands) partnered with the marine renewable energy French organisation INNOSEA and won the tender. This area had been identified in the Scottish Government's draft international energy narrative as a **priority area for collaboration with international partners**. We ran **three workshops** with **French and Scottish stakeholders** from the private sector which facilitated links between private and public sectors actors in France and Scotland. Private sector input was critical to supporting the contractors in refining their four main recommendations which were included in the final report, published in July 2021.

Since the publications of the report, we have started to take these recommendations forward. We supported the signing of the MoU between Scottish offshore wind cluster DeepWind and its Occitanie equivalent WindOcc in May 2022, in Presence of the Scottish Minister for Business, Trade, Tourism and Enterprise. We are currently developing an MOU with the Brittany Region that has a specific focus on Offshore Wind and hydrogen collaborations. Indeed, as the recommendations specify, we are creating platforms for network building in these key targeted Regions. For example, in February 2023, we worked with Bretagne Ocean Power to support a delegation of fifteen Scottish companies to meet in Rennes, Brittany with companies from the Brittany Renewable Marine Energy (MRE) sector.

### Lessons learned for FY2022/23

We have built strong relationships within the British Embassy in Paris energy leads. SDI have an excellent working relationship with the Department for Business and Trade and Scottish Government have built good working relations across a breadth of areas including climate and energy. We also co-hosted our St Andrew's Day event in the Embassy with the British Deputy Head of Mission. We have also built excellent relations with the UK Delegation to UNESCO, giving us the opportunity to host and participate in events promoting Scottish culture. The UK and Scotland share similar objectives in many areas, including culture, climate and green energy. **We will continue to seek synergies with UK colleagues and work together on projects and events that help promote Scotland as a green, inclusive and welcoming destination which is also an excellent place to do business.**

Much activity naturally takes place in the capital city, and being based in Paris allows us to be at the centre of this activity and to effectively report on political, economic and social developments to Ministers, businesses and colleagues. Nevertheless, we recognise the importance of the French Regions and their shared objectives on areas such as green energy. We have already built a solid governmental relationship with the Brittany Region, and have supported business links between Scottish and French companies based in regions outside Paris. **For the coming year we plan to grow our engagement with other regions, as well as solidify and continue our successful relationships with Paris and Brittany.**

**Germany**

## Context for 2022/23

The **Scotland in Germany Network** is a partnership between the Scottish Government (SG) and Scottish Development International (SDI) working towards strengthening Scotland's political, economic and cultural links with Germany. Team Germany consists of 3 FTE members of SG staff in Berlin, and 10.8 FTE SDI staff, in Düsseldorf (9) and Berlin (1.8). Berlin-based staff work on the FCDO platform.

In Germany the reporting year was marked by **Russia's war on Ukraine, concerns about energy supplies, ongoing COVID-19 infections and high inflation**. Germany welcomed over a million people fleeing war in Ukraine. Children were integrated into schools and nurseries while adults were able to access the labour market. Local authorities worked with increasing urgency to find emergency accommodation as numbers grew.

Over course of the year **Germany managed to end decades of reliance on Russian fossil fuels**, including coal (down from c. 40% of total supply), oil (down from c. 40%) and gas (down from c. 60%), by embarking on a rapid drive to fill gas storage facilities, reduce public gas consumption by 20%, expedite the construction of new Liquid Natural Gas import terminals and conclude international gas supply agreements. It also brought German subsidiaries of Russian energy giants Rosneft and Gazprom under state control and temporarily rebooted mothballed coal power plants.

With **inflation soaring to over 10%** driven by high energy and food prices, a series of **government relief measures** aimed to support citizens, including the introduction of a monthly **9 euro ticket** for public transport across Germany in the summer months, subsequently superseded by a permanent 49 euro ticket offer.

Despite inflationary pressures, many of **Germany's major DAX companies saw sales and profits rise**. However, **the UK dropped out of Germany's top ten trading partners** for the first time, down from 5<sup>th</sup> place in 2016, and was ultimately displaced from the top ten in 2023 by German trade with Czech Republic.

## Reflections

Long-term engagement and the strong working relationships built with a number of German regional governments in the previous reporting year generated a **steady stream of ministerial and parliamentary delegations from Germany to Scotland**, with a particular focus on Scotland's hydrogen sector. While extremely welcome, this created pressures on teams in Germany and Scotland in terms of advising on and developing bespoke visit programmes and supporting the increasing number of international ministerial engagements. Dedicated resource for supporting inward missions to Scotland, in particular with a thematic focus on renewables and hydrogen, may be required to service this growing demand from Germany in future.



*Scottish Pavilion, Wind Energy  
Hamburg Trade Fair*

## Activities

- **33** Ministerial engagements
- **3** Statements of Intent
- **10** Trade Missions to Germany
- **11** Inward Missions from Germany supported
- **17** Cultural Events
- **11** events or activities in support of **Climate Objectives**
- **30** events or activities in support of **Inward Investment**
- **32** events or activities in support of **International Trade**
- **7** events or activities in support of **Research & Innovation**
- **21** events or activities in support of **Scotland's Reputation**
- **25** events or activities in support of **Scotland's Interests**

# Reputation

Much of the Germany team's media engagement in the reporting year focussed on showcasing Scotland's distinctive cultural offer with the strategic aims of helping Scottish artists and festivals to get back into the international spotlight after the Covid-19 pandemic, and developing the emerging German market for contemporary Scottish music. **Media successes** included:

- **Jun 2022:** Media coverage of a "**Scotland Special**" at **Rudolstadt Folk Festival**, facilitating participation by BBC Scotland in the European Broadcasting Union coverage of the festival
- **Sep 2022:** Feature on Scottish bands placed in German music magazine "Folker"
- **Dec 2022:** An **interview and live session with Orkney band [Fara](#) on Deutschland Radio**
- **Dec 2022:** An **interview on Scotland's music festivals and contemporary music scene** with the Scottish Government Cabinet Secretary for Culture on Deutschland Radio

- **3,703** Twitter followers as at 31 March 2023 – **222** new followers
- **2,098** likes and **631** retweets over the year
- **268,500** Twitter impressions over the year
- **3.6%** Twitter engagement rate
- **2** ministerial interviews in German media
- **3** national radio interviews
- **330** Scottish Interest articles in German media – **33** of which proactive
- "**Friends of Scotland**" **Newsletter** sent to c. 1000 stakeholders and diaspora/affinity diaspora

## Case study: Showcase Scotland Expo

Working closely with [Showcase Scotland Expo](#), a programme of events aimed to further the live export opportunities for Scottish based artists in the genres of folk, traditional, Scots, Gaelic, world and acoustic music, as well as promote Scotland's festivals in Germany and forge relationships with overseas music trade events. The programme included:

- Support to and participation in "**The Visit 2022**" - an inward mission music for music industry delegates from Germany and other Northern European countries to Scotland;
- A "**Scotland Special**" event at the **2022 Rudolstadt Festival**, Germany's largest Folk, Roots and World Music festival, as part of its 2022 country focus on Scotland;
- **Launch of CEÒLAS: Scottish Music Nights** in Germany around St Andrew's Day, with the aim for this to become a regular touring concert series showcasing contemporary Scottish bands;
- Launch of a German-language website providing details of Scottish bands touring in Germany.

**New German-language website [www.showcasescotland.de](http://www.showcasescotland.de)** now provides a one-stop shop for details of Scottish artists touring in Germany. Website promoted extensively e.g. via radio interviews, "Friends of Scotland" newsletter, and invitations to events;

**Contemporary Scottish artists showcased to German music industry and festival delegates** through a programme of Showcase concerts in Scotland, including at the Orkney Folk Festival, leading to tour bookings in 2023;

**Interview in German and Live Session with Orkney band [Fara](#)** was broadcast to a nationwide audience on national radio on a popular cultural affairs programme;

**Inaugural CEÒLAS: Scottish Music Nights concert** with leading Scottish bands was attended by audience of c.120, including media, culture and music industry representatives;

**Interest in Scotland's artists and distinct cultural offer developed** with cultural and music print and radio journalists, and with music promoters and cultural venues throughout Germany.

**Mutually beneficial partnership with Showcase Scotland in support of cultural exports:** "The aim of increasing Scotland's visibility through cultural activities is mutual and we have been able to support each other's work in a way that has not only enhanced, but increased activity. The close working relationship between the Hub and Showcase Scotland Expo has meant that additional government activities across Germany have also been able to programme artists already touring in the nation, again bringing mutual benefit."

# International Trade

Germany is Scotland's 2nd highest priority country for trade, with opportunities for exchange and collaborative working in particular in the areas of climate change and low carbon, renewable energy, hydrogen and green technologies, industry 4.0, technology, space and life sciences. **Trade successes** in the reporting year included:

- **Sep 2022: Simple Online Healthcare** based in Glasgow expanded into Germany following the acquisitions of the Kapsel and Dr Felix brands from Stark Healthcare. Kapsel provides primary care services across Germany.
- **Nov 2022: [Space Tech Expo Europe](#)** in Bremen, Europe's largest B2B event for the Space industry, was utilised as an opportunity to highlight Scotland's end-to-end space industry. 18 space firms from Scotland were supported in attending the exhibition and presented at a bespoke event Scotland's full space value chain and capabilities to over 100 international delegates. A Scotland networking reception provided a platform for the [international launch of the Scottish Sustainable Space Roadmap](#), with a German press release.
- **Feb 2023: AccelerateHER Virtual Mission** to Germany, supported by SDI and Scottish Government, assisted nine Scottish companies led by female entrepreneurs seeking to access the German market, with one company supported in applying to a German Innovation Fund.

- **152** companies supported
- **85** trade opportunities identified in Germany
- **£181,700,000** forecast international sales in Germany as a result of SDI support

## Case study: Minister-led Trade Mission to WindEnergy Hamburg Conference

WindEnergy Hamburg hosts more than 1,400 exhibitors annually, attracting 35,000 visitors from 48 countries. It focuses on major issues facing the international wind energy sector and provides a platform for planners, manufacturers, equipment suppliers, financiers and services providers to present innovative solutions in wind energy. In 2022 the main conference, opened by the Federal German Economy Minister, was augmented by a Hydrogen Expo where engagement by the Germany team enabled a significant Scottish presence:

- **Scottish Government Trade Minister** gave the opening speech at the Hydrogen Expo, attended by c. 350 international delegates, and participated in two panel discussions and two interviews.
- A **Scotland networking reception** was attended by over 200 international delegates, enabling discussions between companies and potential investors.



**Ministerial speech delivered key messages on Scotland's significant offshore wind capacity and hydrogen production potential** to c. 350 influential business and political stakeholders;

Ministerial discussions with senior officials from the Federal Ministry for Economy and Climate Change;

Business and political relationships further cemented with the regions of Lower Saxony and Hamburg, both key locations for future hydrogen import infrastructure;

Ministerial discussions with major investors in Scotland, including Germany-based investors in the [Scotwind](#) leasing round;

**31 Scottish Companies, 2 Port Authorities and the DeepWind** offshore wind cluster supported in attending the trade fair. Based on evaluations received, their participation is forecasted to generate:

- over **£184m** of forecasted international sales;
- **111 new green jobs** with a further **75 green jobs safeguarded**.



# Research and Innovation

Germany is Scotland's [top scientific collaborating nation](#) in Europe and second top collaborating nation globally. Since the academic and research excellence of Scotland's universities and colleges is already well recognised in Germany, engagement over the course of the year focussed on facilitating relationships and unlocking collaboration opportunities. Activities included close working with the **German Academic Exchange Service (DAAD)**, the **German Research Foundation (DFG)** and [Connected Scotland](#) partners, in particular the [Scottish Universities Life Sciences Alliance \(SULSA\)](#), to develop frameworks for academic mobility and research cooperation with Germany following the UK's decision to leave the Erasmus+ programme and continuing uncertainty over the UK's association to Horizon Europe. **Research and Innovation successes** in the reporting year included:

- **Apr 2022:** [Joint Conference on Digitalisation](#) with Universities Scotland and the [German U15 Group](#);
- **Sep 2022:** **Skyrora**, a Space start-up headquartered in Edinburgh, expanded to the immediate vicinity of Paderborn Airport to set up a R&D centre. Skyrora is cooperating with the Chair of Materials Science at the University of Paderborn to create points of contact in the field of innovative 3D printing, and was awarded [NRW.Global Business Award](#) for investments in 3D-printing;
- **Jan 2023:** **Workshop hosted by the RSE for the DAAD, DFG and Federal Ministry for Education and Research** to explore collaboration opportunities and develop recommendations for academic exchange & research cooperation;
- **Jan 2023:** [Online and in-person information events](#) for Scottish institutions on German research funding options.

## Stats/ Figures

- **8** events or activities in support of **Research & Innovation**
- **Ministerial visit** by SG Higher Education Minister to Germany
- Scotland-Rhineland-Palatinate Life Sciences Research Collaboration Fund extended for a further year with **additional £15k funding secured**

## Case study: Life Sciences Collaboration Fund for Early Career Researchers in Scotland and Rhineland-Palatinate

The Scottish Government and the Government of Rhineland Palatinate agreed a joint Statement of Intent in March 2021 on closer cooperation in the areas of culture, education, higher education and research.

Under this agreement, a working cooperation was initiated between SULSA, the Rhineland Palatinate Ministry for Science and Health and the Scottish Government in Germany to support **research collaboration on life sciences and biotechnology** – areas in which both Scotland and Rhineland-Palatinate have complementary strengths and interests:

- A [joint funding call](#) was launched in 2022 to support life sciences collaboration between HEIs and Research Institutes in Rhineland Palatinate and Scotland.
- An [online conference and networking event](#), hosted by SULSA and JGU-Mainz facilitated the funding call. Attended by ca. 80 participants the event brought together Early Career Researchers from Scotland and Germany.

The fund supported the following [research collaborations](#) in the reporting year:

- **University of Edinburgh and University of Kaiserslautern:** Research project on producing the cyanobacterial chromophore in a marine strain
- **University of Edinburgh and Institute of Molecular Biology in Mainz:** Research project on identifying common therapeutic targets for Amyotrophic Lateral Sclerosis (ALS)
- **University of Aberdeen and University of Applied Sciences Kaiserslautern:** Research project on molecular phenotypes in models of Parkinson's disease
- **University of Glasgow and JGU Mainz:** Research project on receptor activation in Alzheimer's disease models

# Investment

Pro-active inward investment activities focussed on areas where there is significant German investment interest, in particular: Healthtech, Energy Transition, Offshore Wind, Hydrogen, Decarbonisation of Transport and Low Carbon Heat. A particular focus was on offshore wind and green hydrogen (reported separately below). **Inward investment successes** in the reporting year included:

- **Jul 2022: Dräger Marine & Offshore**, a subsidiary of Dräger, demonstrated its commitment to the North Sea energy industry with a multi-million-pound investment in a new facility in Aberdeen.
- **Aug 2022: BASF** expansion in Lewis, with the construction of a new warehouse at its factory site, supported by HIE investment of ca. £1.8m.
- **Sep 2022: Freudenberg SE** expansion (**AquaBio**) for a net-carbon zero project for Islay distilleries (sustainable filtration)
- **Mar 2023:** Creation of up to 35 full time jobs in Scania (owned by Volkswagen Group)
- **Ongoing:** A number of speaking opportunities raised awareness of Scotland's proposition and generated Inward Investment leads, including at: the Association for Small and Medium-sized Businesses (BVMW); BWmeetsUK; British Chamber of Commerce in Germany; Industrie-Club Hannover.

- **7** inward investment projects from Germany landed as a result of SDI support
- **393** planned total jobs
- **346** planned green jobs
- **388** jobs created/safeguarded paying RLW
- **£117,513** planned R&D investment
- **£228,862,658** value of planned capital investment

## Case study: IfTI Global Symposium and Germany-Scotland Forum: Managing the Green Transition in Times of Crisis

Active recruitment of a new Global Scot led to the opportunity to partner with the Institute for Trade and Innovation (IfTI) at the University of Offenburg for a major biennial international conference.

The [Germany-Scotland Forum and IfTI Global Symposium](#) took place on 24th -25th May at the campus of the University of Offenburg. Organised by SDI, the Scottish Government and the Director of the IfTI, the 2022 symposium focussed on responsible green growth in support of trade, investment and climate priorities.

**7 Scottish companies/institutions and the Managing Director of Scottish Development International attended in person** and participated in panel discussions on:

- Sustainability, hydrogen and renewable energy
- Data & digitalisation towards sustainability
- Fostering Green Innovation

Attendance by the **Scottish Government Minister for Europe** and the **Managing Director of Scottish Development International** enabled strategic engagement with senior business and political stakeholders, including at ministerial level with the **Federal Ministry for Economy and Climate** and the **Baden-Württemberg state government**;

**100+ participants** attended from **25+ countries**;

The conference provided an **international forum** to deliver [key messaging on Scotland's climate and net zero goals](#), generate trade and investment, and showcase Scotland's Net Zero technologies expertise, key projects and investment opportunities;

A Scotland-themed reception and networking dinner co-hosted with **showcased Scottish food and drink**, including Scotland's growing network of sustainable distilleries.

# Scotland's Interests

There is a broadly positive emotional attachment to Scotland within Germany, often based on people's positive experiences of having visited or studied in Scotland. In the Nation Brands Index Survey 2022, Germany ranked Scotland 12th overall, and 5th for Tourism (compared to average ranking of 12); 9th for People (compared to 13); and 7th for Culture (compared to 11). Anecdotally, Scotland's landscape, values, welcoming approach, universities, music and literature resonate particularly well in Germany. This attachment is furthered in particular by the large number of "affinity diaspora" in Germany – people without a direct family or personal connection to Scotland, but with a passion for and interest in Scotland. This affinity for Scotland and its traditions, culture and values was leveraged to build enduring relationships with stakeholders, using Scotland's attractiveness to influence relationships to benefit T&I outcomes and further areas of strategic interest to Scotland.

## Case study: Scotland in Focus at the European Cultural Days from the Museum of European Cultures (MEK)

The MEK's annual summer "**European Cultural Days**" presents a European country, region, city or heritage community through a month-long cultural festival. The Germany network worked closely with the MEK to develop its 2022 programme focussing on contemporary [Scotland's European identity and culture](#), accompanied by a photo exhibition from [Document Scotland](#) collective: Reflections on a Changing Country. The [programme](#) presented Scottish musicians, artists and academics, and Scotland's indigenous languages, including:

- An **opening event** with a concert by award-winning Scots singer Scott Gardiner, attended by **c. 150 guests** including media, political, academic and cultural stakeholders;
- Exhibition Tours and Artist Talks with Document Scotland
- **Introduction to Scottish Gaelic** language, history and culture, with traditional Gaelic songs
- Panel discussion on **Scotland's European identity** with academics from Germany and Scotland
- **Finissage and Ceilidh** with Whisky Kiss, attended by c. 120 participants

## Scottish Connections

Scotland in Germany works closely with existing networks to support the development of people-to-people connections and promote Scotland's unique culture and heritage and strengths as a location for innovation and investment, including with:

- [Scotland Hub Mainz](#) and the online [Reading Scotland](#) community
- Highland Games organisations
- Scottish University Alumni Associations
- Local twinning associations
- [The Global Scots Network](#) - **34** Global Scots in total – **1** new recruit in 2022/23
- The [British-German Association](#)
- [Scottish music promoters and enthusiasts in Germany](#)
- The [German Centre for \(Scottish\) Gaelic Language and Culture](#) and German Gaelic speakers' network

Press releases by the MEK and Document Scotland, and an advance **press briefing** for German media by the Director of the Berlin Office, generated **positive media coverage** in German regional and national papers;

Opening remarks by Director of the Berlin Office and the Director of the Berlin State Museums Foundation **raised the profile of the Scottish Government Office in Germany** and **highlighted Scotland's distinct culture and interests** in retaining strong relations with Europe;

Media engagement led to a [feature in the Berliner Tagesspiegel](#) on the Director of the Berlin Office and Scotland's interests in Germany;

Strong working relationship developed with the Museum of European Cultures creating an **opportunity for future joint events with an important cultural partner.**

## Hydrogen: Developing the German market

Germany has taken the strategic decision to focus on hydrogen for its decarbonisation needs, in particular for its extensive industrial base. Its significant future import requirement for green hydrogen, and Scotland's considerable future export potential for green hydrogen, are well-matched. Since this represents an **important long-term market opportunity** for Scotland, significant effort was expended on this area though the impact of this engagement will only be measurable in the longer term. **Hydrogen engagement successes** in the reporting year included:

- **Apr-Sep 2022:** Inward hydrogen-focussed ministerial and business missions to Scotland by North-Rhine Westphalia, Baden Württemberg, Lower Saxony, and Bavaria. Statements of Intent on Hydrogen signed with Baden-Württemberg and Bavaria, both key future off-takers for hydrogen, and partnership agreements facilitated between the Scottish Hydrogen and Fuel Cell Association and the [Center Hydrogen.Bavaria H2.B](#) and Hamburg Renewable Energy Cluster, [EEHH](#).
- **Mar 2023:** [Field trips to Scotland](#) by two successive Green Hydrogen Commissioners from the Federal Ministry for Education and Research, as well as the Green Hydrogen Envoy for the Federal Ministry for Economy and Climate, demonstrated Scotland's considerable expertise and export potential to the German federal government: "Scotland's ambitious yet very prudently designed plans for the hydrogen economy call for us in Germany to seek to take advantage of this great opportunity for transformation and joint innovation, including at the Federal Government level."
- **Mar 2023:** Scottish Hydrogen Fuel Cell Association expert discussion on [How to Build a Hydrogen Ecosystem in Scotland](#) at Germany-based Mission Hydrogen online workshop, attended by c. 200 international participants.



## Case study: Berlin Energy Transition Dialogue (BETD) and official Scotland side event "H2 Export Scotland to Germany"

The [BETD](#) is a leading international annual forum for the energy sector, jointly hosted by the German Federal Government and national German energy associations, and **attended by c. 2000 participants from over 100 countries, including c. 50 ministers and 100 high-level speakers**. Advance engagement by the Germany network led to:

- [Official attendance by the Scottish Government Director for Energy and Climate Change](#) in the main conference, with participation in a panel discussion on "Ports and Urban Areas" and a VIP networking reception with global energy leaders.
- A [Scotland hydrogen side event as part of the BETD's official programme](#), co-hosted with the Federation of German Industry with c. 140 registered guests, brought together Scottish industry expertise with German policy makers, investors and future off-takers.

- Demonstration of **Scotland's potential as a leading producer and exporter of green hydrogen** to a wide audience of global decision-makers in the energy sector;
- Recognition at the federal government level of **Scotland as a significant potential import partner for Germany**;
- Promotion of Scotland as a strategic hub within Europe's future hydrogen network, as part of a North Sea alliance;
- **Development of strategic connections with business, federal and regional governments**, and other international partners through bilateral meetings;
- Raised international awareness of the imperative of including **Scotland as a key contributor within the upcoming UK-Germany Hydrogen Partnership agreement**.

## Medium to long-term impact

### Hydrogen Partnership between Hamburg and Scotland

The State of Hamburg and the Scottish Government signed a statement of intent in 2021 with a focus on climate protection and innovation and the export of green hydrogen from Scotland to Northern Germany. [10 aims for cooperation](#) were agreed, including the expansion of the green hydrogen economy, and the establishment of supply chains between Hamburg and Scotland. The following longer-term [impacts](#) were achieved:

#### April 2022: Joint conference “Scotland to Hamburg” with the Hamburg Renewable Energy Cluster (EEHH)

- Presentations from six Scottish companies demonstrated Scotland’s unique hydrogen offer to key import partners, including [H2Global](#) and Hamburg Port. Activities are forecast to generate around £0.75m in short term sales and £5m in longer-term sales for Scottish companies;
- The Scottish Hydrogen and Fuel Cell Association (SHFCA) entered into a partnership with EEHH to develop supply chain links.

#### November 2022: BMBF Ports Workshop in Hamburg – Research into Port-Based Hydrogen Transport

- Scottish hydrogen actors were invited to participate in a [ports workshop in Hamburg](#) hosted by the German Federal Ministry for Education and Research (BMBF), together with stakeholders from the Netherlands, Ireland and Germany, to identify common research needs and establish new contacts for the formation of research consortia. Discussions were underpinned by the findings of the [Scot2Ger Study](#) published in June, which revealed existing demand for Scottish green hydrogen if it were already available and highlighted the economic potential for Scotland from this faster growth in demand than expected.

## Lessons learned for FY2022/23

- In combination with the resource required for corporate and financial management activities (ca. 0.5 FTE in Berlin), the significant resource dedicated to development of the German hydrogen market over the course of the reporting year (ca. 2.2 FTE in Berlin across Scottish Government and SDI and ca. 1 FTE in Düsseldorf), while crucial in order not to lose strategic advantage as European hydrogen networks are being developed, meant that less resource was available to deliver outcomes in other areas such as activities to support and develop twinning and civic links and school partnerships; the provision of bespoke reporting and analysis on relevant German policy developments; and deeper engagement on climate and biodiversity. A potential future allocation of dedicated resource for German/European hydrogen engagement would enable the Germany team to dedicate greater effort to in-country engagement in support of the above areas.
- The breadth and scale of activities delivered over the year meant that the Germany Team worked at high intensity almost continuously with little opportunity to take stock and reflect on the bigger picture, and no resilience in case of staff leave or sickness with a cumulative negative effect on staff wellbeing.
- The effort required to try to ensure that Scotland’s interests were represented by the UK Government in Germany, in particular in the areas of hydrogen, education and youth mobility, was disproportionate to the marginal results achieved and diverted resource away from delivering the Scottish Government overseas network’s strategic outcomes.

**Ireland**

## Context for 2022/23

There is a relatively new Scottish Government Team in Ireland with the Head of Office, Deputy Head of Office, and Culture, Business and Events Manager having been appointed during 2022. This has been an opportunity for the Office to make new connections, whilst also engaging with the networks established by previous post holders. The team is based in the British Embassy in Dublin, alongside two Scottish Development International senior trade specialists.

Ireland and Scotland have a unique close relationship and share a rich history developed by close proximity, cultural affinity, shared communities and similar values.

The [Ireland Scotland Bilateral Review](#) (co-published by both Scottish and Irish governments in 2021) commits to increased cooperation on diplomacy, business and the economy, diaspora, culture, research and education, and rural and island communities. During the 2022 Ministerial Annual Review meeting, it was recognised that strong progress had been made on almost 60% of the Review's 41 recommendations. Additional focus is also now being made on new policy priorities for both governments.



## Reflections

We have delivered a range of impactful and high-profile events over the past year in showcasing the best of Scotland, particularly Burns night. We hosted 3 ministerial visits in Dublin and supported other Ministerial engagements elsewhere in Ireland and at multi-lateral events. We facilitated 16 new engagements on emerging policy issues for both Governments, most importantly in relation to net zero and support for displaced Ukrainian refugees. SDI colleagues have facilitated new trade partnerships and successful trade missions, and further increased and diversified our Global Scot network in Ireland. We have increased our cultural diplomacy through partnership working and supported collaboration in academia.

It has been a challenge restarting in-person events as Ireland removed remaining Covid restrictions in early 2022 at time of large inflationary pressures. We continue to balance our resources and capacity with the extensive range of potential opportunities there are for collaboration between Scotland and Ireland.

# Reputation

- Scotland already has a strong reputation in Ireland based on close historical and cultural ties, and is regarded as Ireland's 'Celtic cousin'.
- We aim to build on this by promoting Scotland as a trusted partner to invest in, visit, study, live and do business with. It has further been key to promote a modern Scotland, which is welcoming and open. This all involves selling Scotland's economic proposition, delivering cultural diplomacy, and connecting counterparts across the Irish sea to facilitate collaboration.
- Promoting Scottish culture through events is well received in Ireland, given the high interest from an Irish audience and the similarities with Irish culture. The Office is well thought of for showcasing Scottish culture and in creating memorable experiences. For instance, we hosted an event to promote and celebrate the Edinburgh Fringe Festival and supported Scottish film makers to screen their films at the Dublin International Film Festival.
- It has further been important to promote progressive action Scotland is taking on net zero. For instance, we presented Scotland's hydrogen journey at the Irish Renewable Energy Summit in February 2023.
- Ensuring that we focus our activities for the greatest impact, given the huge number of potential opportunities between Scotland and Ireland and small size of the team is a challenge.

- **2.6%** average Twitter engagement rate
- **3,609** Twitter followers as at 31 March 2023 - **133** new followers
- **1,908** likes and **503** retweets over the year
- **270,900** impressions on Twitter over the year
- **8** Ministerial bilateral meetings over 2022-2023 reporting year, with **4** Ministerial visits to Ireland.



## Case study: Burns Night

- Our Burns night event held in January 2023 was an opportunity to showcase Scottish traditions, produce, culture and values.
- Our guests included influential contacts working across academia, media, government, industry, arts and the voluntary sector.
- The evening involved poetry readings from Scottish and Irish high school students which they coproduced as a result of an exchange programme we supported delivered by the Scottish Poetry Library and Poetry Ireland. We further had renowned Scottish poets, Cat Hepburn and Kevin Gilday, provide a fresh take on Scottish poetry. The evening also included performances from singers Eddi Reader and Simon Morgan, which received huge acclaim.
- The evening also included Scottish food and drink, and featured traditional bagpipes to welcome guests on arrival.



- Marty Whelan (RTÉ Radio breakfast show host) was in attendance, and he described the event as "ridiculously brilliant" on his radio show, giving it 4 minutes of airtime. The show has a listenership of 56,000.
- We also received 22 notes of thanks, describing the event as "outstanding" "spectacular" and "the best national day celebration I have experienced".
- Our tweets issued over the evening covering the event received 10,135 views, 45 retweets, and 81 likes.
- We are confident that this feedback demonstrates the extremely positive and lasting impression created by the event to a senior and wide-ranging audience. It also shows how well received and valued Scottish culture is by an Irish audience.
- A number of new relationships were forged, leading to opportunities for future business and cultural projects.



- Our key objectives are to identify, develop and lead on strategic relationships that identify commercial opportunities and provide market insights for businesses within the science and technology sectors.
- Our successes included:
  - Consistent and sustained focus on particular trade opportunities ensured that the activity delivered was focussed and effective.
  - With specific inward investment resource in place for the first time in a number of years, more rounded trade and investment team in place.
  - Regular and consistent engagement across broader 'Team Ireland' to align international trade activities with investment, policy and other strands of work.
  - Development of strategic partner relationships with e.g. Causeway to maximise our network
  - Strong and consistent engagement with GlobalScots in Ireland.
  - Going back to normal and having face-to-face events for the first time in 3 years.
- In terms of challenges – as is always the case, networks fluctuate as key stakeholders move roles, which can disrupt continuity and momentum for existing projects and relationships, and requires investment of effort to build up contacts from scratch again.
- Further challenges include having a small team with a broad and busy agenda, and building awareness and gaining traction in a busy and competitive market.

- **45** companies supported
- **191** international trade opportunities identified
- **£55,300,000** forecast international sales as a result of SDI support

## Case study: Construction and property technology

SDI Ireland delivered an event for construction and property technology companies, focused on sustainability in the construction sector. We brought over 5 Scottish companies ([EGG Lighting](#), [iOpt](#), [Sisaltech](#), [Utopi](#) and [WHOLUS](#)) who learned about Ireland's national retrofit programme from Sustainable Energy Authority Ireland ([SEAI](#)) and the one-stop-shop for consumers and businesses looking to upgrade their buildings. We worked in collaboration with experts from the 'Built Environment: Smarter Transformation' innovation centre in Scotland who shared their wisdom on sustainable practices, focusing on timber frame and sustainable insulation.

The Scottish companies pitched to an audience of 40 people which was made up of architects, designers, engineers, housing charities and property developers. We had a roundtable event in the afternoon with a smaller group to discuss collaboration and how to move forward with sustainability in the built environment.



Key feedback from the day included "inspired" and "best roundtable" they had ever participated in. This event resulted in the creation of several international trade opportunities and exposure to some key people in Ireland for the Scottish companies. Sales figures will be realised in the longer-term. The event was positioned as part of St Andrew's Day activities in Scotland and was supported by the then Minister for International Trade, adding credibility and networking opportunities to the companies' overall programme.

- Strong and varied academic collaboration between Scotland and Ireland is a key part of the bilateral relationship, and the Ireland Scotland Bilateral Review commits to strengthening this even further.
- Over the past year we have co-funded joint research projects along with the Government of Ireland, expanded our networks across universities in Ireland (allowing us to make introductions to academics in Scotland leading to partnership working), and engaged with policy counterparts to explore the development of future student mobility programmes.
- Through connections made by the Office, a Memorandum of Understanding has also been signed between CivTech and the Western Development Commission to support collaboration in using innovative solutions from start-up companies in response to challenges faced by the public sector.
- The Cabinet Secretary for External Affairs provided a keynote speech at an event facilitated by the Scottish Arts and Humanities Alliance in October 2022 on how fundamental arts and humanities collaboration is for Scottish and Irish relations.
- We have played a role in raising awareness in Ireland that Scottish researchers are eligible to partner in the PEACEPLUS Programme, thereby supporting opportunities for Scotland to be involved in research which promotes peace and prosperity across Northern Ireland and the border counties of Ireland.
- Uncertainty over the UK's association to Horizon Europe continues to pose a challenge regarding international research and innovation collaboration.

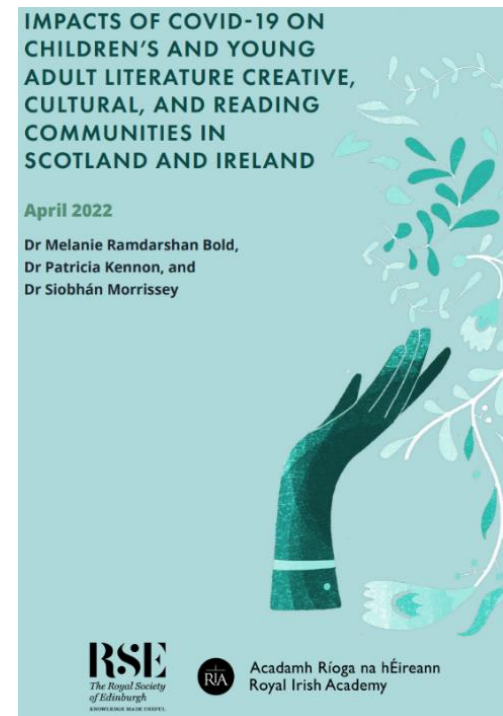
- **12** face-to-face engagements with universities and higher education stakeholders
- **£15,000** provided to fund joint research

## Case study: Bilateral Network Grants

- We provided funding of £15,000 to support collaborative joint research between Scottish and Irish academics via the Bilateral Network Grants.
- This is delivered by the Royal Society of Edinburgh and Royal Irish Academy, and is match funded by the Government of Ireland.
- This supported a valuable research project by allowing academics to examine the impact COVID-19 had on children's and young adult literature – particularly around children's wellbeing and how those working in literature responded to challenges.
- Interviews and workshops were undertaken with cultural organisations, authors, illustrators, and school students.



- The project highlighted the shared concerns and issues of Ireland and Scotland's creative, cultural, and reading communities.
- The project addresses the ongoing problem of the dominance by a limited number of bestselling authors in Ireland and Scotland; it examined the difficulties caused by the pandemic for authors and illustrators, including the issues in reaching and engaging virtually with young readers; and it emphasised the importance of community, collaboration, and networks for authors' and illustrators' mental health and wellbeing.
- In establishing a network of organisations, the project demonstrates the potential benefits of cross-sectoral and international partnerships for fostering sustainable practices.
- A report from the project can be found [here](#).



# Investment

- As a market for foreign direct investment (FDI), Ireland is serviced predominantly on a reactive basis by the SDI London inward investment team.
- With a remit that also spans the rest of the UK, the team's objective is to engage with targeted Irish companies (both existing investors in Scotland and new prospects) aligned with the Opportunity Areas within Scotland's Inward Investment Plan to secure inward investment and create jobs.
- Faced with the challenges of the adverse impacts on FDI flow arising from the economic climate, and increasing competition from other countries and UK Regions, the market has continued to contribute towards the maintenance of Scotland's leading position in the UK (after London) for the attraction of FDI.

- 1 inward investment project landed as a result of SDI support
- 11 planned total jobs
- 11 green jobs
- 11 jobs created/safeguarded paying RLW

## Case study – EnviroPET

- EnviroPET Ltd is a privately owned micro business based in Dublin that is developing liquid process additives (LPAs) and an innovative method of dosing to allow for a greater proportion of recycled polyethylene terephthalate (rPET) to be used in the production of plastic bottles.
- This is in response to growing pressure on the plastic packaging industry to reduce plastic waste and increase the use of recycled materials.
- The company was interested to explore using Scotland as a location to further its experimental development and transition from pilot processes to production scale.
- SDI held multiple meetings with EnviroPET to advise on locating this project in Scotland and support included a Scottish Enterprise R&D grant and the identification of a suitable site within Glasgow.



- In June 2022, the company formally confirmed its decision to establish an operation in Glasgow initially creating 11 new 'green' R&D jobs.
- With additional support from Interface Scotland and from the UK Government agency, Innovate UK, the company announced it would partner with scientists from Heriot-Watt University and University of Strathclyde to develop the new additives that will enhance the recycled content of plastic bottles.
- The company joins Scotland's growing industry supply chain base in supporting the energy transition: [Scottish universities to 'drastically' increase recycled content of plastic bottles](#)

# Scotland's Interests

- In addition to enhancing Scotland's reputation, we have sought to promote Scotland's interests through exchanging learning on policy development, seeking areas for mutual collaboration, and increasing representation of Scotland through our Global Scot network.
- Given Scotland and Ireland's close proximity, similar geography and population size, and shared priorities – there is a strong appetite and rationale from both Scotland and Ireland in learning from one another and working in partnership to deliver on policy objectives.
- However, it is worth considering Scotland's exit from the EU which removes access to some multilateral mechanisms under which Scotland and Ireland could collaborate on.
- Nevertheless, Scotland and Ireland's participation in the British Irish Council provides a forum for ministerial engagement, consultation and cooperation on policy matters along with other member administrations.

- **14** Global Scots in total – **2** new recruits in 2022/23
- Facilitated **16** new engagements on emerging policy issues for both governments.

## Case study: Policy Engagement

- Over the course of 2022-23 we have facilitated several introductions between government policy counterparts in Ireland and Scotland to allow them to have discussions and share learning on common opportunities and challenges.
- This included issues such as how future population and demographic projections will impact on public expenditure; challenging demand for prostitution; support for innovative tech start-ups; delivering on trade strategy; developing the space industry; and delivery of government budgetary processes.
- We have further hosted virtual roundtable discussions between policy counterparts on emerging policy priorities – most notably on support for Ukrainian refugees and advancing offshore wind as a primary source of renewable energy.

- Making introductions to policy counterparts has provided a valuable opportunity for officials to gather evidence on policy development and delivery in Ireland, and to consider how this could apply in a Scottish context in order to deliver on policy objectives of the Scottish Government.
- To give an example, a roundtable discussion on resettlement of Ukrainian refugees resulted in sharing learning on:
  - how data was being gathered on recent trends in arrivals and estimating future arrivals of refugees;
  - the provision of support services;
  - safeguarding in place; and,
  - ensuring effective in-country communication.
- This was followed up by a Ministerial bilateral and continued engagement at an official level which is informing decision making on how both Governments will respond to the ongoing need to provide support to displaced Ukrainians.
- Further, discussions facilitated around offshore wind has allowed counterparts to share learning on the similarities and challenges Scotland and Ireland face in developing sustainable plan options for the future development of commercial scale offshore wind energy.

## Medium to long-term impact

Cooperation between Scotland and Ireland is creating impact across each of the six areas in the Ireland Scotland Bilateral Review. To give a specific example relating to **culture**, the Scottish Government Ireland Office have been engaging collaboratively with the Museum of Literature Ireland since 2021. This resulted in a temporary exhibition (Literary Cities Edinburgh) which focused on the literary history of Edinburgh from past to present, with an emphasis on overlaps with Irish writing. Over 43,000 visits were made, of which 40% were Irish, 11% UK, 25% European and 19% North American. To coincide with the exhibit, the Museum also curated a series of four high profile events, featuring some of the most important established and up-and-coming names in Irish and Scottish writing and music. These events were collaborative - writers from both countries interviewed each other, while musicians from Scotland and Ireland collaborated on performances for each event.

Considering other areas of the Bilateral Review:

- **Government-to-Government Relations** - We saw beneficial cooperation between respective government counterparts on efforts to tackle the COVID-19 pandemic and in sharing learning on gender issues in international development which resulted in informing policy development.
- **Business and Economy** – Along with SDI's work to promote trade and inward investment, our support for the Causeway business network is allowing it to become financially self-sustainable and has helped to create lasting connections between Scottish and Irish businesses.
- **Community and Diaspora** – We have worked to establish a strong and diverse network of influential Global Scots in Ireland who are advocates for and representatives of Scotland in Ireland, and we have further facilitated learning on successful diaspora engagement which has informed Scottish Government research into diaspora policy.
- **Research and Academia** – Our agreement with the Government of Ireland to support collaboration between the Royal Society of Edinburgh and Royal Irish Academy is now helping to drive joint research and innovation for years to come.
- **Rural, Coastal and Island Communities** – As of 2022, Scotland's Rural College co-authored 90 original research articles with Irish researchers. The majority of which are with Teagasc and are built on a long-term collaborative partnership and Memorandum of Understanding. Forestry Land Scotland and Coillte also regularly engage on sharing best practice.

## Lessons learned for FY 2022/23

- We would have benefited from more regional visits throughout 2022-23 to expand our networks even further outside of Dublin. Therefore, we will prioritise this in 2023-24, and intend to visit a range of stakeholders in Limerick and Galway.
- One of the key lessons learned from this year is the impact we can create and the reputation we can build from hosting in-person events, and so we will look to expand on this next year. We will further seek to maximise the impact and reach of partner events which promote Scotland and Ireland's bilateral relationship, particularly in relation to culture and academia.
- We are also aware of the valuable role we can play in facilitating sharing learning and cooperation between Scottish and Irish policy counterparts. We intend to make a more targeted approach to supporting this next year, with a particular focus on net zero economy and issues relating to social justice.

**Nordics**

## Context for 2022/23

The Nordic Office is the latest addition to the Scottish Government's overseas network, and is unique in that it is the first office with a regional remit.

The office, with a headcount of 3 staff, is co-located within the British Embassy in Copenhagen next to Scottish Development International (SDI), who have 5 staff. Together both teams work to promote Scottish interests within the Nordic region across a number of policy, trade and investment areas including energy and climate, social policies, health, space, and digital.



## Reflections

The office officially opened in August 2022, and so the past eight months have focussed primarily on setting up necessary corporate processes, developing relationships with the UK embassies across the Nordic region, and starting to build connections with key Nordic policy-makers and stakeholders. The office's biggest achievements include:

- Hosting back-to-back Burns Night celebrations in Copenhagen and Oslo, in doing so building positive working relationships with the British Embassies in both cities respectively, and highlighting to a group of senior stakeholders that the Scottish Government was increasing its presence within the Nordics.
- Including the visit from the former First Minister in August, facilitating 3 ministerial visits as of April 2023 (one in Stockholm and two in Copenhagen).
- Beginning to establish a dialogue with key public bodies within the region including the Nordic Council, and Danish, Swedish, and Norwegian energy and climate ministries.

Some of the challenges have included:

- Capacity: servicing a region of five countries with 3 staff members has at times meant strict prioritisation, with not all avenues of collaboration with the Nordics able to be followed up on.
- A recognition of timelines: it takes time (particularly in a pan-Nordic context and at a policy / structural level) to build the necessary relationships that will lead to the unlocking of greater collaborative opportunities for Scotland within the Nordic region.

# Reputation

- In the eight months since the Nordic Office officially opened we have prioritised building an initial awareness across key stakeholder groups within the Nordic region of the opening of our office, the expanded presence of SG within the region, and of the cultural and policy-driven similarities between Scotland and the Nordic countries.
- Focussing on the new Scottish Connections Framework, and our understanding of the issues that matter most to people within the Nordic region, we have emphasised Scotland's green and climate credentials in our outreach, and have made good progress in pulling together a growing network of interested Scottish diaspora (initially in Denmark) who are keen to help promote Scotland in country.

- **3.4%** average Twitter engagement rate
- **2,235** Twitter followers in total as of 31 March 2023
- **2,235** new Twitter followers from previous year
- **12,574** likes and **3,117** retweets
- **5,267,000** Twitter impressions
- **3** Ministerial engagements
- **4** Danish articles covering the launch of the office, including an in-depth interview in Politiken (one of Denmark's newspapers of note) with the former First Minister, and an article in financial paper Borsen.
- These figures cover the period from August 2022 to April 2023

## Case study: Back to Back Burns Nights in Copenhagen and Oslo, January 2022

- Working in close collaboration with the British Embassies in Copenhagen and Oslo, we delivered two back-to-back Burns Night celebrations in the Danish and Norwegian capitals.
- This required significant time and commitment from all members of the team, involving management of two different sets of venues, suppliers, guest lists, and entertainers.
- For both events, to showcase their work and to promote Scotland's cultural offering, we supported the attendance of Scottish artists. We enlisted the help of a renowned ceilidh band to deliver the event in Copenhagen, and a group of Scottish poets and musicians – including Scotland's Makar – to deliver the event in Oslo.
- In considering who to invite to these events, we emphasised a mix of Scottish diaspora living in Denmark and Norway, and senior-level contacts in areas of thematic importance for our business plan: this included officials from the Danish and Norwegian energy and climate ministries, senior renewable business leaders, and members of the Nordic Council.



- Wanting to showcase Scotland's cultural soft-power in a modern way, while retaining that sense of tradition and drama that international stakeholders associate with Scotland, we designed both events to feature a blend of traditional and modern music, offering a deliberate interpretation of Scotland as somewhere dynamic and relatable to the Nordics.
- Both events were a huge success, with universally positive feedback. There were approximately 80 attendees in Copenhagen and 40 attendees in Oslo. Multiple attendees remarked that the event in Copenhagen had been 'the best diplomatic event they had ever attended', while in Oslo government officials remarked that their 'eyes had been opened' to what a modern Scotland looked like.
- The events helped build trust and good working relationships with our FCDO counterparts in both Copenhagen and Oslo, and helped develop our initial contact points into some of the most important ministries for our work in country, which we have subsequently called upon in follow-up meetings.



- SDI's main objectives are to help internationalise the Scottish economy by growing Scottish exports, increasing inward investment and developing trade connectivity across the Nordic region.
- Increasing emphasis on trade development – matching company/sector capabilities to market 'gaps'.
- Working with SG, DBT, and FCDO, focus has been on the ClimateTech, Healthcare, Digitilisation, and Low Carbon sectors
- EU Exit still offers challenges for Scottish businesses. Not just in the physical movement of goods but also in the movement of skilled manpower across the North Sea.

- **54** companies supported
- **18** international trade opportunities identified
- **£9,900,000** forecast international sales

## Case study: Decarbonising Healthcare

- Healthcare emissions contribute to the climate crisis, and SG and NHS Scotland have delivered a Climate Emergency and Sustainability Strategy for healthcare systems that sees them playing a leading role in a coalition of 40 countries that have set targets for healthcare sustainability.
- Using the plan as inspiration, SDI have identified a growing number of Scottish companies that offer products and solutions that support this sustainability approach, particularly within healthcare facilities management and digitalisation.
- SDI then created a platform for key players within the Scottish and Danish healthcare systems to meet with each other. The main objective of the event:
  - Showcase Scottish and Danish sustainable healthcare solutions and Scottish companies
  - Build relationships between key public / private healthcare stakeholders in Scotland / DK
  - Define common challenges and innovative solutions



- The roundtable event was project managed internally by the SDI specialist with collaboration from Danish clusters and healthcare regions. The funding for the event was part SDI and part FCDO which also meant collaborating with the FCDO Prosperity Fund team based in Madrid.
- The event was held at the British Embassy Copenhagen, with a small, focused reception of Danish healthcare professionals and Scottish companies over a 3-hour session.
- The session not only allowed participants to share best practices and explore how tech, digital, and circular solutions can help decarbonise the healthcare sector, it allowed for SDI to identify areas for further Scottish / Danish collaboration and offered our companies the chance to connect with healthcare buyers.
- The Danish hospitals were interested in one Scottish company's solutions in particular, with a follow up conversation due to take place. SDI have now started to build a company portfolio based on this "concept" for other markets (for example, for COP28).

# Investment

- Currently SDI does not have dedicated FDI resource in the Nordic region. SDI activities are proactively supported from Dusseldorf or Glasgow, reactively supported by the Nordic team in Copenhagen.
- Nordic FDI is focused on three main sectors: energy transition, digital - data and aquaculture.
- Energy transition (Offshore Wind, Hydrogen, decarbonisation of heat) is the primary FDI focus area aligning to SG's aspiration to be Net Zero by 2045.
- Examples of our investment work are with CIP, Ortsted, Fortum, LM Wind Power, Maersk, NorSea and Vestas as well as Tier 1 and Tier 2 firms to maximise local ScotWind content.
- Metrics used are numbers of projects, jobs and CAPEX.

- **1** inward investment project landed as a result of SDI support
- **40** planned total jobs
- **40** jobs created/safeguarded paying

## Case study: Wind Europe Investment Breakfast

- Wind Europe is the world's largest wind energy event for 2023. While SDI had a trade focus for this event, SDI HQ and the local Nordic team agreed that also having an inward investment event would be of value to the ScotWind programme, by engaging with existing and potential investors.
- SDI co-hosted an inward investment breakfast in collaboration with Dansk Industri (the Danish CBI) and the Danish Trade Council. 6 current investors looking to expand their operations and 6 new potential investors joined a round table discussion to discuss and understand the future opportunity, policy framework and the new SOWEC Strategic Implementation model.
- SDI, SG and SOWEC presented and a key component was explaining the developer led approach to future collaborative investment into Scotland for offshore wind and its supply chain.

- The event was cost free (with Dansk Industri providing the meeting room and breakfast) and SDI led on the coordination and invitations. A great example of using our network and leveraging our activities through trusted partnerships.
- Outcomes are difficult to document now but post discussion conversations with investors showed appetite to expand further or invest in Scotland to meet supply chain commitments and take advantage of the commercial wind opportunity.
- Investors were all Nordic, feedback and intelligence was valuable and estimate the creation of 50 new jobs, from supply services, shipping, engineering services and fabrication, primarily in the north east of Scotland.

- Over the previous period we have focused on identifying and beginning to build relationships with the most relevant official and political level contacts across the region.
- Successes have included developing initial relationships with energy and climate ministries in Denmark, Norway, and Sweden, identifying Forestry and Wetland policy as a key driver for Scotland's relationship with Sweden, and making first contact with senior figures within the Nordic Council.
- There remain challenges around capacity, with strict prioritisation an ongoing necessity.

▪ 12 GlobalScots – 1 new recruit in 2022/23

## Case study: Unlocking Sweden: Building Common-Ground on Forests and Wetlands

- Our first Ministerial visit to Stockholm involved delivering a climate summit for Scottish and Swedish youth activists in partnership with the British Embassy in Stockholm, and producing a programme of ministerial engagements to accompany the event, on themes within environment and climate policy.
- This required close collaboration and clear lines of communication with FCDO counterparts, and careful monitoring of the travel itineraries of the young Scots travelling to Stockholm.
- Ensuring appropriate buy-in from Swedish authorities, at a time when Sweden was hosting the EU Presidency, meant being targeted in our outreach to Swedish government representatives: recognising the shared challenges and expertise Scotland and Sweden have specifically on forest and wetland policy, we decided to focus the wider programme of engagements on these topics.



- The climate summit was well attended by both Scottish and Swedish attendees, with subsequent feedback from attendees being mostly positive, with many highlighting how rare opportunities like these are for younger people active in the climate space. The event helped stimulate people-to-people links between Scotland and Sweden, with follow up planned in both countries.
- The collaboration between our office and the British Embassy in Stockholm was excellent, helping lay a strong foundation for future cooperation within Sweden.
- The programme of Ministerial engagements – involving meetings with the Director General of the Swedish Forest Agency and the CEO of the world-renowned Stockholm Environment Institute – helped demonstrate to key senior Swedish stakeholders the value of Scotland as a partner on climate and environment policy.
- Specifically, the Swedish Forest Agency expressed interest in exploring opportunities for greater collaboration – including policy exchange – with Scottish Forestry. Follow up is being planned.

## **Medium to long-term impact**

As the Nordic Office only opened in August 2022, it is too early for us to be able to look back at previous years and form an accurate assessment of the medium to long-term impact of our activities. We are confident, however, that as we move into 2023 and 2024 our early efforts to build contacts in the areas of most importance to Scotland in the Nordic region will bear fruit.

## **Lessons learned for FY2022/23**

Lessons learned for our opening eight months include:

- A regional remit brings both significant opportunities and challenges. Recognising the capacity constraints of being a small team across multiple jurisdictions has necessitated us being quite strict on our priorities and activities.
- Building strong, collaborative relationships with our FCDO colleagues across the region has helped deliver a series of impactful, memorable events, and has set us up well for the next annual cycle.
- Being targeted in what we seek to engage the Nordic countries on – for example forestry and wetlands policy – leads to buy-in from our interlocutors.
- Setting up the necessary corporate processes to run an overseas office takes time, and cannot be rushed, but will go on to be beneficial both to the current and future teams.
- Promoting the resilience and wellbeing of the team is paramount to achieving successful outcomes.

## **Scotland House Brussels**

## Context for 2022/23

**Scotland House Brussels (SHB)** brings together the Scottish Government's EU Office and Scotland Europa, part of Scottish Enterprise. SHB is an integrated team, providing services which support Scotland's economic and diplomatic interests in Europe. With Scotland Europa celebrating its 30<sup>th</sup> anniversary this year and the Scottish Government office in Brussels operating since 1999, 2022/23 saw another successful year for Scotland House in the heart of Brussels' EU quarter.

**The SHB team** is made up of 29 staff: 2 shared interns, 10 Scotland Europa, 17 Scottish Government (both diplomatic and locally engaged staff). **Our office** sits opposite the European Commission Berlaymont building and near to a large number of Diplomatic Missions to the EU, regional offices and networks of key interest for Scotland. Its guest office space and event facilities, which generate income to support SHB's work, provide an ideal base for Scottish public sector organisations and businesses to operate from when visiting Brussels. Scotland House Brussels promotes Scotland as an innovative, outward-looking and progressive nation with much to offer and share. **We protect and promote Scotland's interests and values with the EU and across Europe and enhance Scotland's international collaboration using our collective networks, insights and expertise.** This report describes the work that was jointly carried out by the Scottish Government's EU Office and Scotland Europa to meet our **collective strategic goals for 2022/23**. Case studies profile the work of SHB, each corresponding to one of our five strategic priorities for 2022/23.



## Reflections

Despite an extremely challenging year on a number of fronts, 2022-23 has been a successful one for Scotland House Brussels, with the return of our in-person event calendar, the hosting of a number of Ministerial, Scotland Europa member and other civic society visits to Brussels and a remodelling of Scotland Europa's membership services to adapt to the impacts of Brexit and Covid-19 and a changed engagement landscape.

A challenge at the forefront of our strategy for 2022/23 has been adapting to life as a country outside the EU. For decades, under various political administrations, Scotland House Brussels has provided both a resource for reporting on the work of the EU and a platform for participating in its functions; particularly in policy areas of Scottish strategic interest and expertise, such as energy, agriculture, fishing and research and development. Our focus this year has been an altered but vitally important one, to support decision makers in government, civil society and business with the wholesale strategic and operational changes necessitated by Brexit. The case studies within this report profile a broad range of work that has succeeded in maintaining vital diplomatic, academic, trade, cultural and commercial links with European partners.

Although adapting to life outside the EU was a known and strategic priority at the outset of 2022/23, and the ongoing challenges in EU-UK relations relating to the Northern Ireland Protocol created additional context for us this year. The return of our programme of in-person events, including the St Andrew's Day/Burns programme of cultural events provided an opportunity to re-invigorate relationships with influential stakeholders in Brussels. Scotland Europa launched a 30<sup>th</sup> anniversary campaign in May 2022 which used the challenges described above as an opportunity to re-engage with partners, but also to diversify and adapt its output and policy/member-focussed deliverables.

# Reputation

Scotland House Brussels' events are a well-known fixture in Brussels' cultural calendar. With our cultural activity again **attracting senior EU guests such as high profile MEPs and Ambassadors to the EU and NATO** this year - as well as high numbers of EU institution staff - these events offer Scottish Ministers, officials and Scotland Europa members the opportunity to make representations to high value stakeholders from Brussels' EU and Diplomatic community. This type of cultural diplomacy was particularly important in 2022/23, helping to maintain Scotland's connectivity in Brussels.

Scotland Europa celebrated their 30<sup>th</sup> anniversary with a year-long campaign launched in May 2022. We hosted several online campaigns showcasing the work of our member organisations, as well as attended and hosted events in Brussels, namely our **30th Anniversary Summer Reception in June 2022** and our first in-person Members Meeting in October 2022. These both provided us with the opportunity to reshape our engagement and adapt our services based on the current environment we are navigating and the needs of our member organisations, which has proven to be successful so far via new policy products, branding and tailored expertise

Other cultural events by SHB in 2022-23 **included a Spring reception themed around the 'Year of Stories', St Andrew's Concert and Lecture events (see Case Study), a Ceilidh hosted in the centre of Brussels' EU district, as well as a Burns Concert and VIP Burns Supper.** We were active in **showcasing sustainable Scottish goods and key export products at our own events and cultural and trade events in Brussels and across Belgium**, through e.g. stands focused on food, drink and Scotland's hydrogen potential at the Schuman Christmas Market, participation in Belgium's annual Offshore Days event and a dedicated exhibition at the Brussels Trade and Innovation Show. We also highlighted the sustainable angle of the food and drink we source via QR codes and visual graphics, both in-person and on social media.

- @ScotGovBrussels: **4,157** Twitter followers in total as at 31 March 2023; **415** new Twitter followers; **1,768,700** impressions; **2.9%** Twitter engagement rate.
- @ScotlandEuropa: **183** new followers, **219,800** impressions
- Scotland Europa LinkedIn: **2,524** page views, **558** new followers
- Scotland Europa website (Launched Oct 2023): **4.7k** user visits

## Case study: Minister and University of Glasgow St Andrew's Visit

The reputational, diplomatic and trade opportunities presented by our cultural events make them an ideal basis for visits by senior stakeholders.

In November 2022, we welcomed Neil Gray, the then Minister for Culture, Europe and International Development and Uzma Khan, Vice-President of Economic Development and Innovation at the University of Glasgow (Scotland Europa member), to lead our St Andrew's events.

The joint visit was coordinated by an integrated SG/Europa events team and SHB Policy leads, who coordinated a programme of strategically themed meetings. The visit was also supported by officials from the Scottish Government's Arctic Policy team in Edinburgh who arranged for and supported Mr Gray's participation in the European Arctic Futures Symposium.



This visit taking place around St Andrew's Day allowed for both guests to host one of our cultural event in Brussels. Minister Gray hosted a St Andrew's Concert and Reception event as part of a three day programme of engagements. Scotland Europa's annual St Andrew's Lecture focused on delivering a Wellbeing Economy in Scotland. Scotland Europa's visit programme facilitated engagement between the University of Glasgow and Scotland House Brussels with economists in the European Commission, as well as with networks such as EUROCITIES, EuroHealthNet and the European Policy Centre.

Our receptions attracted more than 100 invited guests from Brussels EU/diplomatic community, including MEPs, Ambassadors and EU institution officials. Guests heard an address from Mr Gray on the Scottish Government's Culture and International Development ambitions and music from talented young artists, who joined us in partnership with the arts charity Live Music Now. During the visit, Mr Gray met with Ukraine's Ambassador to the EU, the EU's Special Arctic Envoy, senior MEPs, the Minister President of Flanders and more. Mr Gray also met the President of the European Committee of the Regions, where he agreed Scotland's participation in the European Alliance for the Reconstruction of Ukraine.

This past year, we have been able to recommence our in-person strategy to promote and enhance Scotland's image as a valuable place to trade and invest. This has been implemented across various policy and sectoral areas, for example:

- We have strengthened our work on promoting Scotland's Wellbeing Economy commitments. Scotland Europa invited Uzma Khan, Vice-Principal for Economic Development and Innovation at the University of Glasgow, to deliver the annual St Andrew's Lecture. We have also jointly built relations with Brussels-based partners, such as the European Policy Centre, to further promote Scotland's work in this area.
- With Scotland's vast potential in the field of renewables, we have continued to build upon our work via proactive engagement of Scotland's policies and programmes with key networks and contacts in Brussels, namely ERRIN, EURADA and the Vanguard Initiative, as well as by attending and hosting in-person events. This has been a great opportunity for us to highlight Scotland as a key partner with aligned values and interests with that of our European and international colleagues.
- We have worked in tandem to revise our products, strategies and campaigns with our respective audiences to create new and strengthen existing ties which showcase Scotland's priorities and develop economic opportunities – from tech and innovation in tourism, to developments in the hydrogen and circular economy. With Scotland's changed position in the EU an ongoing challenge, reformulating our approach has been crucial for continued engagement in key areas.

Please note that the SDI office in Paris also represents Scottish trade interests in the Benelux nations. Some Belgium-specific figures have been provided by SDI below:

- **14** companies supported
- **£3,200,000** forecast international sales as a result of SDI support

## Case study: Showcasing Scotland's hydrogen potential

We have continued to showcase Scotland's vast potential in the field of renewables. In particular, we have developing a cross-team effort on demonstrating Scotland's hydrogen potential via participating in/hosting various events and policy sessions.

- ERRIN Network – Scotland Europa remains a co-leader of the Energy and Climate Change working group in ERRIN, and hosted a working group meeting on Hydrogen Valleys in Scotland House Brussels with high-level stakeholders from other EU regions, economic develop agencies and the European Commission.
- EU Hydrogen Week 24-28 October 2022 – Scotland House Brussels welcomed Mr. Matheson, Cabinet Secretary for Net Zero, Energy and Transport for a Ministerial roundtable. We also welcomed Scottish Enterprise hydrogen expert, Irina Bonavino – programme delivered to showcase Scottish Enterprise's Hydrogen National Programme.
- We hosted a hydrogen stand during the Schuman Lights Up festival in December 2022, showcasing Scotland's potential with material provided by SDI alongside other regional and EU representatives.
- Ongoing work in the Vanguard Initiative on the Hydrogen Pilot.
- Joint social media campaign ran between SG and Scotland Europa throughout thematic EU weeks showcasing our potential in renewables to a wider, EU audience. We experience some challenges around the fact the Scotland Europa website was under construction, with our new website facing a delay of several months and not launching until Oct. 2022.

Our cross-team effort has resulted in a series of successful and varied events reaching a broad EU audience, representing an excellent opportunity to demonstrate Scotland's value as a partner. With our networks and via the public-facing Schuman Lights Up stand, we were able to engage directly with representatives from the EU Institutions and Member States. For example, stemming from our activity and engagement in ERRIN, regional organisations and EU institutions have commented on the quality of our content and expertise, and as a direct result of the meeting we hosted in Scotland House, follow up work has begun between regional and institutional representatives.

The team also ensured Scotland will be participating in EU Sustainable Energy Week 2023, as part of a partnership for an event focusing on offshore wind development. This is an example of our ongoing showcasing of Scotland's hydrogen and wider renewable potential.

We have utilised the new Scotland Europa website to its full potential in a short time frame (despite some initial challenges around launching the website) for example, publishing several blog posts to further showcase our work around hydrogen. Firstly, [a blog post](#) on the value of bringing Scottish Enterprise colleague, Irina Bonavino, to Brussels, a [second](#) from Scottish Enterprise Chief Executive, Adrian Gillespie and a third [blog](#) showcasing the work of the University of St Andrews.



Despite uncertainties around the EU-UK relationship and implications on the R&I landscape, the Scotland House Brussels team has continued to showcase Scotland as a nation of innovation excellence. We have worked hard to identify synergies in Scotland and EU developments, exploit our policy and funding knowledge, and maximise continued opportunities and to support Scotland Europa members with ongoing applications to Horizon Europe under the UK Government Treasury Guarantee. This has involved:

- Continued **cross-team collaboration** between Scotland Europa and the Scottish Government, working closely with the Horizon Europe Regional Contact Point and the wider Scottish Enterprise Horizon Ecosystem, to identify opportunities for collaboration.
- **Maximising opportunities with our existing networks and partnerships**, such as ERRIN, EURADA and the Vanguard Initiative, to continue to influence EU-level innovation developments.
- Scotland Europa drafted a collective membership response to the European Commission's call for evidence in preparation for the EU Innovation Agenda. We also contributed to the European Commission's public consultation on **the past, present, and future of the European Research & Innovation Framework Programmes 2014-2027**, working with ERRIN to draft a collective response.
- Scotland Europa worked with our membership to draft a collective response to the Scottish Government's upcoming Innovation Strategy, **underlining the importance of continued European and international collaboration** in the field. We worked with Scottish Enterprise to input into ongoing responses as the new Strategy continues to develop.
- Work began with Research and Innovation intense members of Scotland Europa to create a **working group aimed at facilitating knowledge exchange** and collaboration opportunities, constituting part of our wider reshaped engagement approach.
- We have delivered several online information sessions, as well as hybrid **capacity-building** sessions, aimed at supporting Scottish organisations with their ongoing applications to Horizon Europe.

- Collaborative Horizon Europe Guarantee Grants – **125** successful applications, amounting to **£54.6m**
- European Research Council Guarantee Grants – **28** successful applications, amounting to **£34.2m**
- Marie Skłodowska-Curie Actions Guarantee grants – **50** successful applications, **£11.1m**

*Funding figures obtained from Scottish Enterprise*

#### Visits to SHB

- **8 groups** from Scotland Europa University Members (staff and students) visiting Scotland House Brussels

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## Case study: UK Innovation and Tech Show – 15 March 2023

Both Scotland Europa and Scottish Government team input brought together Scotland Europa members, businesses and organisations (University of Edinburgh, Edinburgh Napier, TouchLab, FreeFlow Technologies, Creative Informatics) for an exhibit and panel event showcasing Scottish expertise in innovation. This was followed by an evening reception at British Ambassador's Residence

The event itself was not in our original delivery plan for the business year. Therefore, the late confirmation of our participation in this event proved to be a logistical challenge we had to navigate as a team to ensure adequate resources were allocated. This required a lot of cross-team coordination and maximising upon our existing joint reputation and relationships in this field.

Despite the challenges faced in delivering the event at short notice, our cross-team effort successfully delivered upon our overarching objective in our business plan. The resulting event was a prime opportunity to showcase Scotland as a world-leading hub of innovation, across industry, academia and companies.

We have positioned Scotland a reliable and knowledgeable research partner to our European colleagues. This event was a great opportunity to advance this, building new contacts and research leads established via networking opportunities that will be followed up on.

This has already had demonstrable outcomes too. In showcasing the work of Edinburgh Napier's new Mountain Bike Centre of Scotland, our upcoming summer reception will once again showcase their work and will also bring in colleagues from VisitScotland and the UCI World Cycling Championships. Across both Twitter accounts, we issued 8 tweets in total before/during the event. These gathered a total of 11,074 impressions, 57 retweets and 87 likes, as well as gaining new followers, raising awareness of our work both domestically and in an EU context.

# Investment

In a post-Brexit setting, we have taken steps to adapt our own work across the team. As has been detailed throughout this report, this has come in the form of more detailed briefings, analysis and insights outlining what it means to be part of a third country engaging with the EU. In doing so, we have sought to empower colleagues, partners, and stakeholders in Scotland with the necessary information needed to continue to showcase Scotland as a place to trade, invest and do business with.

- Supporting Ministerial and Scotland Europa Member visits to build key programmes, both for learning opportunities and build relations
- In-person Scotland Europa members meetings, capacity building sessions and new information products
- Ongoing work with Scottish Enterprise and Scotland Europa to broaden scope of informed policy work
- Empowering Scottish businesses, organisations, and partners (via briefings, information products, analysis and continued support from the team) with the necessary knowledge to better understand the current investment landscape and incorporate this into their own practices
- Promoting engagement in Horizon Europe innovation funding programme and wider international partnership and collaboration opportunities

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## Case study: Scottish Council for Development and Industry Delegation to Brussels (March 2023)

From 29-31 March 2023, we welcomed a delegation of 19 representatives from the Scottish Council for Development and Industry. Delegates represented a range of different sectors in Scotland, such as academia, private sector and food and drink, and participated in a diverse programme aimed at empowering SCDI members with the necessary knowledge and skills in their EU engagement.

The development of this programme was a cross-team effort, drawing upon the expertise and experience of both Scotland Europa and Scottish Government colleagues. This resulted in sessions delivered by partners in the EU institutions, other third countries and enterprise agencies who engage with the EU, thinktanks and our own team, providing delegates with the opportunity to learn, engage with and exchange knowledge that will inform their own European engagement practices going forward.

This comprehensive programme was followed by a networking reception, titled “Making Scotland the Home of Purposeful Business”, where delegates from SCDI, alongside the Scotland House Brussels team, were able to engage directly with European partners and showcase Scotland as a reliable partner for investment.

We received very positive feedback from the delegation, underlining that the programme has inspired them to continue their engagement in Europe, and left feeling motivated to work harder to showcase Scotland as a place to invest across their respective sectors. One key example is the [blog](#) produced by Sara Thiam, Chief Executive of SCDI, citing how the visit highlighted Scotland’s international expertise and need to continue to build important relationships. Further feedback can be found on social media ([1](#), [2](#), [3](#)), alongside increased engagement with our organic content on [LinkedIn](#).

On another level, this visit raised awareness of Scotland House Brussels and the work we do. The visit represented the biggest delegation visit to Scotland House Brussels since 2019, and highlighted our role as a hub that can support Scottish businesses and organisations in their European engagement. The diversity of the visit facilitated cross-sectoral exchange horizontally between delegates, allowing for them to build networks that will strengthen our external ‘Team Scotland’ voice.

Overall, the success of this visit both equipped Scottish organisations at home with a better understanding of how to promote Scotland as a key investment partner, as well as raised awareness of our work in Scotland House Brussels. It also enabled us to build on newer partnerships with other third country representatives.

The EU is the world's biggest single market containing 440 million consumers. Beyond even its own territory, the EU's regulations are often seen as a benchmark for global standards and replicated within trade agreements internationally. It is therefore vitally important that Scottish decision makers and trade organisations are able to both follow developments and make representations to the institutions and sectoral bodies in Brussels.

The Scotland House team and facilities provide an ideally placed resource for the Scottish Government and Europa's members to gather intelligence from; and a base from which to do business.

**SHB as a base for events/networking:** Scotland House routinely hosts delegations from private and public sector organisations, visiting Brussels to gather intelligence or do business. In 2022/23, our conference centre hosted 123 events, including an event on Ukraine led by the Scottish Council on Global Affairs, various visits from Scotland Europa member organisations, as well as by Universities Scotland, Police Scotland, the Scottish Refugee Council and others. Our guests have the opportunities to use our networking space, with support provided by the SHB team in the form of policy briefings and signposting to relevant contacts in Brussels. We also provide Communications support, with our integrated Communications team supporting guests to profile Scotland's knowledge and expertise in key areas of interest.

**Information gathering:** The Scotland House Brussels team provide a regular suite of policy reporting to Ministers, SG policy teams implementing Scotland's EU Alignment agenda and Scotland Europa Europa's membership. This includes daily Europa policy bulletins, a Scottish Government Weekly note and in-depth reporting on events such as European Councils and the European Commission State of the Union.

## Case study: Lord Advocate and Crown Agent visits

Justice and Home Affairs is a key area requiring continued cooperation with European partners. This internationalised approach is reflected by the Scottish Government's International Justice Cooperation Unit being partly based in Scotland House Brussels.

The team's policy knowledge and Scotland House's nearby proximity to European Justice Agencies make it well placed to support visits from justice-focused stakeholders. This opportunity was maximised in November 2022, with the Lord Advocate, Crown Agent and the Crown Office and Procurator Fiscal Service's (COPFS) Head of International Cooperation Unit visiting Brussels and The Hague.

The visit was coordinated by the SHB-based Justice and Home Affairs team and COPFS officials, with support from Scotland Europa's facilities and events team allowing for high value meetings to be held in Scotland House Brussels.

- **5 Ministerial Visits** to Scotland House Brussels
- **5 Global Scots** in total
- Scotland Europa's website has produced various **blogs and case studies on the work of our Scotland House Brussels and our members**, promoting them to EU audiences and raising awareness of Scotland's excellence in key areas such as hydrogen, net zero, innovation, and higher education.

As part of this visit the delegation met with key operational stakeholders, including Europol, Eurojust, Belgian national judicial cooperation authorities and Scottish and UK colleagues based abroad. The Lord Advocate and Crown Agent also spoke at an event hosted by the Northern Ireland Office in Brussels, which showcased work in Scotland on the social aspects of justice and problem-solving initiatives.

The visit was followed by a joint Crown Agent/Director of Public Prosecutions for England and Wales visit in January 2023, also to Brussels and The Hague. Scotland House Brussels also supported this visit, working closely with the UK Liaison Prosecutor to Belgium and the Netherlands.

The Lord Advocate and Crown Agent's visits helped strengthen Scottish operational links to the continent in the new post-Brexit environment, with several return visits by EU stakeholders now already having taken place, or planned to take place in the near future.

## Medium to long-term impact

2022/23 was a year of adaptation, with new dynamics to deal with as a country outside the UK. Reflecting on the last year has highlighted the value of the networks and bilateral relationships that we have developed throughout the life of Scotland House Brussels. The basis of the non-EU institutional structures that we continue to take a leading role have been based on Scotland's long-term strategic interests and the contributions we have, and will continue, to make to efforts of European cooperations based on our areas of strength.

To contextualise this, as a team in Scotland House Brussels, we have been particularly focussed on navigating the uncertainties and obstacles in the **research and innovation field** and have worked jointly as a team to play to our existing strengths and continue to navigate and identify avenues of continued operation.

As a first port of call, our team have been able to continue our programme of engagement via our existing networks in Brussels. For example, we continue to be a board Member of the Vanguard Initiative – an alliance that gathers 38 of the most advanced industrial regions in Europe, focused on stimulating industrial innovation and building European value-chains based on complementarities in regional smart specialisation strategies. In this format, the Scottish Government engages in both High-Level Directors Meetings (June) and Annual Political Meetings (December), as well as collaboration from our SG and Europa team with other regions in the development of pilot projects. Similarly, Scotland Europa remains a prominent member of the ERRIN network – a well-known Brussels-based platform that gathers around 120 subnational organisations from more than 20 European countries (both EU and non-EU). In the ERRIN network, Scotland Europa has sat on the Board for 7 years now, with our Head of Office, Sarah English, serving as Chair for the 2020-22 period, and Vice-Chair and Treasurer for the 2022-24 period. This sort of engagement has delivered successful results:

### *Vanguard Initiative*

- Ministerial and Director-level engagement within the format of the High-Level Director Meetings and Annual Political Meetings in the Vanguard Initiative
- Engagement in project developments, such as the Vanguard Initiatives ADMA and Hydrogen Pilots, which provide Scotland an opportunity to showcase its expertise and excellence in renewables

### *ERRIN*

- Secured co-lead positions in three of ERRIN's working groups, i) Policy, ii) Climate and Energy, iii) Cultural Heritage and Tourism, as well as building new presence across other working groups, such as Science and Education for Society
- Ability to showcase work of Scottish organisations, build partnerships and contacts vis-à-vis partnerships and consortia building
- Provided speaking opportunities for several Scottish organisations/stakeholders to showcase their ongoing research within the scope working group meetings and thematic EU-level campaigns such as EU Green Week (e.g., The James Hutton Institute were able to present their research to a working group on soil health).

In addition to continual engagement, as a team we have focused on ensuring Scottish businesses, organisations and wider government stakeholders are routinely informed of key developments in the research and innovation space at EU-level. We regularly provide support, capacity-building sessions, online webinars, and have diversified our briefings and other policy-related deliverables to ensure colleagues in the Scottish Government, Scottish Enterprise

and Scotland Europa's wider membership are equipped with the relevant information needed to continue to engage in these research and innovation ecosystems and showcase Scottish innovation excellence. By building upon our existing strengths, but also adapting our engagement and deliverables to our current context, this has enabled us to remain a partner of choice for our European colleagues in the research and innovation field.

More broadly, we have extended these key learnings into our engagement with the EU institutions. For example, on relations with our European neighbours, the value of the Friends of Scotland friendship group in the European Parliament has become clear since Brexit. With our institutions no longer represented in the European Parliament, we deeply value having a large cohort of MEPs who are active in attending our events and facilitating continued engagement with the European Parliament and other EU institutions. The group includes senior MEPs from Parliamentary Committees and the EU-UK Parliamentary Partnership Assembly. Their generous support for Scotland allows for our Ministers and Scotland Europa's members to make representations to influential parliamentarians, on matters of strategic importance.

Based on the fact that Scotland Europa celebrated their 30<sup>th</sup> anniversary year in 2022, and Scotland House Brussels recently celebrated its 20<sup>th</sup> anniversary in 2019, we have been able to build upon our existing reputation and relations to maintain a gradual programme of engagement with colleagues from the EU institutions, regional offices and key networks and organisations to ensure Scotland continues to build positive relations with our EU counterparts. From this, we have been able to set up meetings between colleagues from the University of Glasgow, VisitScotland, James Hutton Institute, as well as Scottish Government colleagues, with EU officials despite ongoing uncertainties in the wider EU-UK relationship.

The group includes senior MEPs from Parliamentary Committees and the EU-UK Parliamentary Partnership Assembly. Their generous support for Scotland allows for our Ministers and Scotland Europa's members to make representations to influential parliamentarians, on matters of strategic importance. The objectives outlined above continue to structure our work around the promotion of key policy matters and commercial interests for Scotland; many of which reflect long term ambitions that SHB have successfully represented for many years, and form a key part of our future business plan.

## **Lessons learned for FY2023/24**

2022/23 has been a successful but challenging year for Scotland House Brussels. The experience of overcoming a broad range of issues such as returning to more conventional working arrangements following Covid-19, Brexit and the cost crisis (both in the UK and Europe) has offered lessons for new and ever-adapting ways of doing business. An example of the consequences of these cross-cutting challenges has been staffing gaps within the SHB team. This has been an unavoidable result of the financial constraints being felt across the public sector, and new logistical difficulties with hiring staff post-Brexit. The team has managed to continue with business as normal due to staff's adaptability. This will not always be an option without increased resilience in the team and there is recognition that learning and development must be a focus in 2023/24. There is also agreement across the team that Scottish Government and Scotland Europa staff members will need to streamline work planning in order to maximise efficiencies across the team. A joint-forward look planning system is already being implemented.

In the last year we have witnessed the value of sport diplomacy, particularly as guests of diplomatic missions during the FIFA Men's World Cup. There are significant opportunities for engagement around Scotland's hosting of the UCI Cycling World Championships in Scotland. Particularly with host country Belgium, (number one ranked nation in cycling). Our next Summer Reception event will be focused on promoting the UCI World Championships, presenting excellent diplomatic and bilateral relationship building opportunities.

**Scotland House London**

## Context for 2022/23

**Scotland House London (SHL)** is a unique collaboration between Scottish Government, Scottish Enterprise (including Scottish Development International), Visit Scotland and Highland and Islands Enterprise. It provides a place for businesses and organisations to develop networks, work, do business and stage events in order to drive their growth; it is a permanent base for staff from SG and partner organisations in London, and is used to support trade and investment, strengthen government to government relations and facilitate collaboration on a wide range of policy priorities. SHL provides the platform through which we collaborate to showcase the best of Scotland to key London and international audiences. SHL consists of 14 full time SG staff members and 6 full time SDI staff. SHL's responsibilities cover: (i) the development of EU and international diplomatic relationships through the community of London based Embassies, (ii) Economic Diplomacy including activities/events in support of Scotland's trade, investment and research and innovation strategies, and (iii) Operations and membership which provides a co-working space used by businesses and organisations to hot-desk, hold meetings which generate income.

## Reflections

Post pandemic, the focus for year 2022/23 was on rebuilding the SHL team, refreshing our strategy and approach to engagement in London and re-establishing partnerships, networks and profile to deliver more effectively for Scotland in London as a key domestic and international market. Despite a challenging domestic, global and financial context results have been encouraging. Inward investment numbers are strong with targets met by the SHL SDI Investment team. The SHL team continues to provide structured support to Scottish companies through our membership model – with steady increases in companies supported, membership numbers and revenue generated through our events and meetings facilities.

We have seen a marked increase in engagement with our universities sector, with all of our major Universities now active members of SHL, increased collaboration with our universities sector on the platform has focused on showcasing the sectors strengths, talent attraction and developing opportunities to attract investment into our research and modern technology eco systems. Increased engagement with our universities is also supporting a sharpened focus on Scottish Connections work – through coordinated alumni outreach and events programming. Our international engagement work is delivering deepened networks at a more senior level across the London based international Embassy network – and targeted work in coordination with policy directorates continues to deliver new partnerships on key priority areas of our national strategies e.g. NSET and on hydrogen. Interest in Scotland, our economy and opportunities for trade, investment and knowledge exchange continue to develop, as does the appetite for regular and clear information on the question of constitutional change.

Against the backdrop of the challenging UKG-EU negotiations which had implications for the Scottish Government's engagement with the Commission, SHL has developed a high value relationship with the European External Action Service in London which has allowed us to facilitate policy discussion and/or incoming visits by the EU delegation to Scotland throughout the year, covering areas of mutual interest. It has also provided a valuable route to continue dialogue and explain Scotland's position with regards to the future EU-UK relationship and broader current affairs. At the most senior level, we have been able to coordinate Ambassador-Ministerial/Director level engagement in both Edinburgh and London. These strengthened international networks are also creating an opportunity for more effective and higher impact promotion of Scotland's cultural heritage and assets – an extensive programme of events attracted high value audiences to engage with our cultural institutions, festivals and artists.

# Reputation

**Objective:** To promote Scotland as a place to work, live, study, invest in and visit. We also supported sustainable economic growth for Scotland through access for Scottish companies to the SHL membership hub. We did this through showcasing Scotland's rich culture, food and drink, such as with Scotch Whisky Association, investment opportunities and higher education landscape to audiences in London and across the world. We have promoted and showcased Scotland's cultural heritage and assets, delivering a programme of events across the arts supporting cultural organisations to engage new audiences.

Limited engagement or support for activity from relevant SG policy directorates continues to be a limiting factor and risk. Where we have made progress here, it has been largely without that policy input or support.

- Average Twitter engagement rate of **2.8%**
- **2,603** Twitter followers at 31 March 2023
- **239** new Twitter followers
- **2,308** likes
- **661** retweets
- **262,300** Twitter impressions

## Hub Stats

- Staged **68** events, with **2,238** attendees
- **13** Ministerial visits
- **90** Members
- **9** Universities secured as members
- Over **3,412** Hub Visitors
- **451** Business Meetings (224 Members/227 Partners)

## Case study: EUNIC



Our cultural engagement has allowed us to enhance Scotland's reputation internationally. Of note is our work with the EU National Institutes of Culture (EUNIC) network. We contribute a small annual fee and participate in monthly meetings. This grants access to culture diplomats from priority countries in the EU/EEA and provide opportunities to showcase Scottish artists to international audiences through joint festivals, such as the In Short film festival and the European Writers' Festival at the British Library.

We have utilised this network to promote Scotland's reputation through 6 significant events to showcase Scottish festivals and national arts organisations. For example, we hosted an event in November 2022 in collaboration with Creative Scotland and British Council Scotland, where we promoted a ground-breaking report on Culture Assets to EUNIC London, non-European culture diplomats, and the broader cultural community. The Cabinet Secretary for Constitution, External Affairs and Culture hosted and Scotland's Makar performed. In March 2023, we also hosted a briefing at SHL from Scottish Ballet on their world-leading and revenue generating programmes addressing dementia, disability and youth disengagement through dance.

Both events helped positively showcase innovative, progressive and modern elements of Scottish culture to influential stakeholders. The first event enabled Creative Scotland and British Council Scotland to access a breadth of stakeholders from target partner countries.

The Scottish Ballet briefing led to offers for Scottish Ballet to engage further with Norway, Finland, Switzerland, and the Netherlands, in addition to an offer to take part in a funded study visit to Lithuania. This in turn has led to requests for a briefing to encourage partnerships with Scotland's leading festivals. We are discussing such an event with the Fringe Festival. There was strong positive feedback from the EUNIC London Presidents on these events and subsequently an offer to explore a study visit to Scotland in 2023/24. This demonstrates how we directly build Scotland's reputation internationally and provide unique opportunities for Scottish cultural institutions to deepen and expand their international collaboration.





**Objective:** To support the delivery of the Export Growth Plan through the network of Economic and Trade attachés based in the London embassy network.

We have been able to maintain and grow our 1-to-1 relationships in Embassies featured in the plan and with the Association of Economic Representatives London (AERL). This approach allowed us to deliver trade promotion events with the Mexican and Vietnamese Embassies with which we did not previously have a relationship. This approach for events is now a model for SHL going forward.

Achieving this has posed challenges such as SDI do not directly support international trade through the London office.

- **6** Trade events with **319** guests attending.
- Events included Global Trade Week, City of London Engagement, Entrepreneurial Scotland and SBN Scotland in Asia.

## Case study: Building Connections

By building connections via the AERL, the economic attaches network, and developing relationships with businesses and associations, we have been able to identify, create and collaborate on opportunities for promoting Scotland and our key exports, particularly our food and drink sectors.

Development of ties with the Mexican Embassy led to a joint event to showcase key food and drink exports from both Scotland and Mexico, timed to commemorate the first year of the UK-Mexico Trade Continuity agreement. Mexico is a target market for Scotland's export growth and North America is the third largest regional market for Scotch Whisky. Collaborating with the Mexican Embassy the event featured a fusion of cultures, showcasing Mexican and Scottish cultural performances and promoting respective exports of whisky and mezcal. It also provided a further opportunity for SHL to promote *Auld Hag*, a traditional Scottish catering company at early stages in the London market, providing a platform for them to gain exposure and an opportunity for SHL to showcase some of the best of Scotland's food and drink offer.

Building on and strengthening existing ties with the Scotch Whisky Association and the Embassy of Vietnam, we collaborated on an event to mark the 50-year anniversary of diplomatic relations between Viet Nam and the UK. Working with the SWA, the sector's interests and needs were well represented in the event design and ensuring delivery at a time that supported key market visits.



Key relationships strengthened / formed with:



aerl

SCOTLAND  
FOOD & DRINK

These events helped support and promote some of our key sectors, allowing us to deepen ties with international partners whilst promoting Scotland's offer.

The Ambassador of Mexico found the event to be incredibly valuable, and it has resulted in further engagements with Mexico. FM was hosted by the Ambassador of Mexico for a breakfast engagement with the London-based network of Women in Diplomacy. The Mexican Embassy have informed us that the Ambassador will be travelling to Scotland in April to meet with business and political leaders, engaging with the diaspora and promoting Mexican products and culture over a four day visit.

The event with the Vietnamese Embassy and SWA provided opportunities for business and diplomatic contacts to recognise and celebrate Scotland's distinct contribution to the UK-Viet Nam diplomatic relationship.

Engagements such as these help us to create stronger ties which support the Scottish Government's Export Growth Plan and help us meet strategic objectives to promote and showcase Scotland's cultural heritage and assets, promoting Scotland's strengths and investible opportunities.

# Research and Innovation

**Objective:** London is a hub of innovation, presenting an opportunity to connect Scottish companies, universities and Innovation Centres with innovation opportunities from potential customers and partners in London. Our objectives for 2022-23 centred around promoting Scotland's strengths and investible opportunities, at a strategic level and across the Opportunity Areas highlighted within the Inward Investment Plan, including priority areas such as Energy Transition, IT & Software, Digital Financial & Business Services and Healthtech. SHL also promoted regional economic strengths, opportunities and propositions to potential investors and key influencers including through work with Local Authorities, Chambers of Commerce and other relevant organisations.

- **9** Universities members
- **9** Innovation Centre members
- **12** R&I related events staged with total of **320** guests
- Events staged include Climate Tech, Net Zero, Spotlight on Innovation, AI Accelerator, Creative Industries, Future of FinTech, Universities

## Case study: KultraLab

Formed in 2019 and London headquartered, KultraLab is an innovative behavioural science and technology company whose platform aims to transform how employees engage, learn and perform by combining behavioural science, mobile communications, AI personalised learning and cultural and performance analytics. SDI London engaged with the company to pitch the benefits of locating in Scotland to tap into Scotland's supportive tech eco-system and specifically Scotland's leading research excellence and expertise in data and digital. SDI introduced Kultralab to relevant contacts within the tech cluster around Edinburgh including DataLab and Skills Development Scotland, and also supported the company's PR campaign to announce its arrival in Scotland.



In May 2022, the company publicly announced its decision to establish a new hub in Edinburgh after it received more than £2 million investment from Scottish investment syndicate, Kelvin Capital, and Scottish Enterprise in a move that will create up to 25 high-value jobs in Scotland. The Edinburgh site will be KultraLab's 'Product Hub', consisting of teams from Engineering and Product Development. It is seen as being central to KultraLab's plans to deliver its unique Behavioural Change Platform to its clients.

# Investment

As a priority market, targeting **inward investment** from the rest of the UK (rUK) is a team effort involving staff across SE, SDI's Global Investment team and other Scottish agency and external partners. Our objective is to engage with targeted, globally headquartered companies based in rUK & Ireland (both existing investors in Scotland and new prospects) across the Opportunity Areas within Scotland's Inward Investment Plan to secure inward investment and create jobs. Faced with the challenges of the adverse impacts on FDI flow arising from the economic climate, and increasing competition from other countries and UK Regions, we have contributed successfully towards the maintenance of Scotland's leading position in the UK (after London) for the attraction of FDI.

For **capital investment**, as a Global Financial Centre, London is a priority market for our investor relations activities. There is strong investor interest in Scotland's areas of opportunity; notably, the energy transition and company investment. For all investment, SHL provides a valuable means to host meetings and deliver events to bring opportunities to market in both a coordinated and cohesive way.

- **22** (England) inward investment projects landed as a result of SDI support
- **2,513** (England) and **116** (Wales) planned total jobs
- **24** (England) planned green jobs
- **2,513** (England) and **116** (Wales) jobs created/safeguarded paying RLW
- **£3,366,414** (England) planned R&D investment
- **£23,356,163** (England) and **£7,000,000** (Wales) planned capital investment

## Case study: Inward and Capital Investment

**Inward:** Burns and McDonnell is a US Headquartered, global engineering and construction company with UK expansion plans to provide its services to electricity network operators and renewable energy developers. Encouraged by ScotWind and the profile of Scotland's net zero ambitions, SDI London engaged with the UK subsidiary to support the company's interest in establishing a permanent project management presence in Scotland. SDI London provided the company with an understanding of Scotland's landscape and support infrastructure. This included advice on skills availability and recruitment, as well as an introduction to the support available from Skills Development Scotland. To further support the company's recruitment drive and raise their profile, SDI supported the company's PR campaign to announce its launch in Scotland and growth ambition.

**Capital:** March 2023 Green Investment Portfolio - Energy Transition: SDI delivered an investor showcase opportunity allowing three Scottish projects with a combined investment raise of c£1.4BN to present to London based institutional investors.



**Inward:** In August 2022, the company publicly announced its decision to establish an operation in Motherwell, initially creating 10 new 'green' engineering jobs. The company joins Scotland's growing industry supply chain base in supporting the energy transition. Commenting on the project, the company's UK MD said: "*Scotland's global leadership in renewable energy is a perfect match for our firm's global experience in designing and upgrading onshore network infrastructure.*" The project therefore aligning with Scottish Government commitments towards supporting a transition to Net Zero.

**Capital:** Scotland's investment potential was highlighted allowing new connections to be made which will hopefully lead to transactional investment activity. SHL provides the "marketplace" for this engagement to occur and is both well located and of high quality.

# Scotland's Interests

**Objective:** Through coordinated and sequenced engagement with international partners, we positioned Scotland as a progressive and constructive European partner and good global citizen. We sought to strengthen Scotland's relationship with the European Commission by coordinating EEAS London engagement with Scotland, and promote and showcase Scotland's cultural heritage and assets, creating opportunities for international collaborations - delivering a programme of events across the arts supporting cultural organisations to engage new audiences. This diplomatic engagement was delivered in the wider context of a challenging EU-UKG relationship which directly impacted on EU member states strategy for engaging in the UK.

- **347 GlobalScots** (19 new GlobalScots in 2022/23)
- **100** Diplomatic meetings
- **5** Facilitated meetings between SG Ministers and Ambassadors in London

## Case study: Diplomatic Engagement Strategy



To further enhance our international engagement, SHL developed a strategy and governance structure to inform our diplomatic engagement with European and wider international representations in London. The strategy was coordinated with the Directorate for External Affairs, Scotland House Brussels and the wider overseas network to ensure a coordinated approach and set out the themes/policies for engagement, whilst prioritising countries as appropriate. Through this structured approach we have been able to increase both frequency and seniority of our diplomatic engagement, giving us greater access to decision makers and influential contacts from international partner countries. These discussions provided a platform to promote the international elements of the SG policy agenda and enabled us to secure commitments to further dialogue and cooperation on areas of shared ambition with partner countries including, but not limited to, Lithuania, the Netherlands, Norway, New Zealand and Australia.

Through dialogue with the Embassy of Lithuania, we were informed of plans to accelerate its transition to renewables, with the first Baltic offshore wind auction planned in mid-2023. SHL reflected on Scotland's own journey on the ScotWind leasing round and offered to facilitate further dialogue with relevant Scottish policy leads. Follow up discussions have now taken place, with a commitment to work together on a visit by a delegation from Lithuania, covering both policy exchange and business to business opportunities. In advance of the launch of the Scottish Government's National Discussion on Education, SHL, through dialogue with the New Zealand High Commission, secured discussion on education with senior leads in their ministry of Education to learn from the NZ experience of delivering a national discussion on education. SG Education officials confirmed the dialogue was hugely valuable, reinforcing the broad SG approach whilst providing ideas to enhance our plans and valuable insight on the challenges faced by NZ, which policy took into account in advance of the SG launch.

## Medium to long-term impact

The Economic Diplomacy and Engagement (EDEL) Team have been focusing on NSET action areas to support delivery for the Scottish economy:

**Entrepreneurial People and Culture:** Through membership at SHL, we have connected and built links with various business organisations, offering support for their events hosted at SHL, for both London-based Scottish businesses and Scottish businesses travelling to London. This includes a multi-year relationship built with Entrepreneurial Scotland, during which we have hosted delegations on cohort development visits to London. **In early 2023, we hosted Entrepreneurial Scotland's Saltire Scholar Alumni event, which focused on promoting entrepreneurial skills and early stage entrepreneurial activity.** →



**New Market Opportunities:** Working closely with SDI colleagues, we have harnessed ministerial visit programmes to identify, discuss and promote new market opportunities. Incorporating ministerial engagements with current and prospective investors in Scotland during visits to London through both bilateral meetings and events at SHL, we have **showcased Scotland's pipeline of investable opportunities and contributed to attracting crucial capital investment for Scotland.**

**A culture of delivery:** Taking forward the sentiment of crossing public and private sector boundaries, SHL developed a joint SG/SDI project to speak to business and support long term strategic investment in Scotland. Establishing and maintaining key relationships to generate leads and garner market intelligence are key objectives of SDI in London. Working with the EDEL Team, SDI and SG, we identified a list of target companies across key Opportunity Areas aligned with the Inward Investment Plan, including Technology and Energy Transition. By identifying leads and opportunities within a small number of targeted, global corporations headquartered in London, this project has enabled a **widening of our relationships with the community of London-based Government Affairs Representatives** of target corporations and build a focused approach towards developing a pipeline of potential long term inward investment projects, **leveraging SHL's presence and the city's position within a global centre for capital and a vital source of inward investment.**

Since 2019, the SHL EDEL team have been building a strong relationship with the City of London Corporation. Based on a shared understanding that the financial sectors of Scotland and London have more to gain from co-operating and coordinating than competing, engagements at official and Ministerial levels were formalised by a partnership agreement in 2020. This embedded the pursuit of shared economic interests and serves to promote Scotland's distinctive offering and strengths in banking, asset management and servicing, insurance and pensions and fintech. Over the years, this cooperation has evolved to include annual set piece events, such as the Burns Supper co-hosted by our First Minister and successive Lord Mayors of London. As an expansion, and based on this well developed relationship, in April 2022 the First Minister and Lord Mayor of London hosted an Investor Dinner **showcasing Scotland and demonstrating the shared commitment between SG and City of London in supporting the financial and professional services sector's role in driving our collective economic recovery.** Looking ahead, 2023/24 will deliver a refreshed partnership agreement with deeper collaboration outlined on green and sustainable finance, place-based impact investment, collaboration between CoL and SNIB, and more. **By focussing more aspects of SHL activity distinctly on economic priorities and the NSET programmes of action, we have created new avenues of SG engagement with business, widening our networks and strengthening the voice representing Scotland's interests to global audiences.**



**USA**

## Context for 2022/23

2022/23 was a period of rebuilding and growth for Scottish Affairs Office (SAO) USA. External engagement and in-person engagement increased significantly following the pandemic, and the office focused on reengaging key stakeholder groups and focussing on promoting modern Scotland, increasing diversity in our networks, higher education and alumni engagement as well as our continuing trade and investment and cultural focus.

The office, based in the British Embassy, has four permanent team members and underwent staff updates from 2022-23, including a change of Communications & Engagement Manager, while taking advantage of a temporary additional Relationships Manager position, funded through April 2023.

Major refurbishments continued across the embassy, requiring staff to be flexible when planning events at the Embassy and the Ambassador's Residence.



## Reflections

SAO USA delivered a huge amount in 22/23, with a number of Ministerial visits as well as set-piece events and new initiatives including an increased focus on alumni. The team delivered 5 Ministerial visits. These included visits to New York City (x3), Washington, DC (x2), Seattle and the San Francisco Bay area. On short notice, the office also delivered the first in-person Tartan Week in New York since the pandemic, re-establishing the high quality programming that is expected. This period also saw enhanced collaboration between SDI and SAO USA, including comms support and a reinvigorated LinkedIn presence highlighting policy, trade, investment and innovation success stories.

The major challenges in 2022/23 included inflationary pressures, US network salary changes for country-based staff set by FCDO, and exchange rate challenges in Q3. While the team achieved extensive deliverables to a high standard, it put significant pressure on the resilience of the team. Moving forward with one staff member fewer, the office will need to be more strategic in what it is able to support.

# Reputation

SAO USA aims to deepen understanding and awareness of modern Scotland, positioning the Scottish Government as a thought leader through its whole-system approach to climate change and renewables, diversifying our audience and encouraging stakeholders to deploy key messages across their wider networks. The view of Scotland in a historic — instead of future-facing — context, is a major challenge which the office's communications aim to disprove — while celebrating our proud history and historic links to the US.

- **2.5%** average Twitter engagement rate
- **5,777** Twitter followers as at 31 March 2023
- **417** new Twitter followers as at 31 March 2023
- **10,989** Twitter likes and **2,827** retweets over the year
- **1,336,800** Twitter impressions over the year
- **26** posts on LinkedIn. Throughout the year, the office grew its following by over **25%**, adding **557** new followers.
- The External Affairs Secretary Angus Robertson (2022) visited for Tartan Week in New York, FM Visit May 2022 (DC), Minister for Drugs Policy visited a Drug Treatment Facility in Harlem (Aug 2022), Environment Minister visited New York for Climate Week and Trade Minister visited the west coast.

## Case study: First Minister Visit to Washington, DC

First Minister Nicola Sturgeon visited the US (Washington, DC) for the first time since the start of the Covid-19 pandemic, in May 2022.

SAO USA has invested significant time in establishing high-quality relationships across Congress, the US administration and press over the last few years, resulting in the capability to secure high-profile and meaningful meetings. The team used recent policy and events — such as COP26 in Glasgow, SG's equality agenda, and the importance of energy security in light of Russia's invasion of Ukraine — in order to broker high-level meetings and highlight SG's progressive agenda.

The team struck a balance of programming from one-on-one meetings, a keynote think-tank speech and several press interviews to amplify the visit both domestically and in the US.

The team also recognized the importance of building in business-related activity and proactively organised two roundtables with transatlantic businesses.

## SAO USA curated a balanced programme including:

- Strong political engagement was through a bilateral meeting with Speaker Pelosi at the Capitol (attended and covered by the media), a bilateral with Special Envoy John Kerry, and a meeting with Deputy Secretary of State Wendy Sherman.
- The First Minister gave a live-broadcasted keynote speech at the Brookings Institute on Energy Security, which led to a follow-up conversation and article.
- Significant business engagement with Global Scots and key businesses with transatlantic operations. SAO USA also hosted a roundtable focusing on Just Transition as a key theme from COP26 delegates
- Numerous press interviews including with The Washington Post, The Associated Press and the National Journal.

SAO USA has championed short, high profile visits as an ideal model given the impact that it can have. In addition, the development of press and political relationships allowed for the team to allow build a much stronger comms plan from previous visits.



The Science & Technology Trade team aims to identify market/customer opportunities for Scottish Life Sciences and Technology Companies to enter or expand into the US market. This year, the team saw excellent progress in identifying market opportunities despite being short-staffed by 40% most of the fiscal year. Challenges have included finding more competitive Scottish companies to fulfil the opportunities being identified in the market, and the low profile of Scotland in the market as a Technology or Science hub.

The Energy and LCT Trade team aims to position Scotland as a partner of choice for the USA in their transition towards a net zero economy, strengthen our relationships with key stakeholders and continue to support energy supply chain companies accessing the business opportunities in the USA. Challenges included competition with additional international trade agencies and other geographies, and planning uncertainty which delayed outreach for international delegations and program development efforts.

The Consumer Industries Trade team aims to prepare newer exporters to do business in the USA, by reviewing go-to market strategy, pricing, and presentation materials, and to further develop new importer contacts and match Scottish producers with US importers. Challenges included Scottish producers not being export-ready, particularly in the Specialty Food/Premium Grocery segment where many companies are small and family-owned, and the salmon supply issue this past year. While there were several opportunities for salmon in the US that the team uncovered this year, Scottish producers were not able to act on them due to supply constraints.

- **363** companies supported
- **189** international trade opportunities identified
- **£275,000,000** forecast international sales as a result of SDI support

## Case study: Startup Grind Program in Silicon Valley

In April 2022, the Scottish Chapter of Redwood City-based Startup Grind selected 20 Scottish companies (all in Technology or Life Sciences) from over 170 applicants to bring to Silicon Valley with the initial intent to help them fund raise and learn from their attendance at the Startup Grind Global Conference. The trip was funded by the Scottish Government's ecosystem fund and the SDI partnership in Scotland was with the Capital Investments team. SDI Americas Science & Technology Trade team worked with the Capital Investments team and the Startup Grind Scottish Chapter's co-Directors to enrich the program with on-the-ground leadership and support.



This not only helped the cohort with more targeted investors curated by SDI, but also with prospective customers and corporate partners. 47% of delegates were connected with investors before the trip; and afterward 93% were. It also helped delegates learn more about the market and provided valuable tips to enter and scale in the market with the expertise in the team and GlobalScots/Trade Envoys. Before the trip, 60% of delegates were confident in their business' success and afterward 93% were. Delegates created 86 new investor connections throughout the program, of which 19 have led to meaningful conversations about investment, and at least one cohort confirmed investment cheque of £50,000.

In 2022/23, SAO USA prioritized encouraging inward visits to Scotland and consideration of meeting with R&D experts across the Scottish Government, Scottish Enterprise and Universities. The office also aimed to mobilise successful alumni of Scottish universities in the US to share modern Scotland's offer— particularly in areas of space, green energy and hydrogen. The team successfully piloted a new, more targeted model of alumni engagements, which has since been deployed several times.

SAO USA also supported a DC Mayor's office inward visit, forming 33% of their programme, which included meeting with University of Edinburgh and the Scottish Chambers. The Mayor's team identified the Scottish leg as the highlight of their programme (which included London) and relationships and conversations continue. The biggest challenge remains finding time for staff to actively support the development of programming, and prioritisation within budgets to support activity.

- **3 VIP Alumni Events** across 3 cities, utilising the presence of Scottish Ministers, senior SG and SDI staff, linking with Scottish companies in the US, with hundreds of alumni engaged.

## Case study: Alumni engagement

Promoting modern Scotland's offer is key to the success of SAO USA's business plan, but ensuring the office is engaging with new, strategic audiences has long been a challenge. The SAO USA team identified Alumni as a significant network that had not previously been fully utilised, and which could benefit from sustained engagement and support. The team invested time in mapping these stakeholders across geographies and key priority business sectors. The team then developed events to encourage participation, harnessing the goodwill of alumni on the back of their studies in Scotland. It was important to have consistent messaging with a focus on access to talent, trade and investment opportunities and policy designed to enable innovation and sustainability. SAO USA successfully delivered the first of these events to coincide with the Trade Minister's trip to the west coast in October 2022, following up with two additional events in NYC and Houston.

Events engaged approximately 200 participants overall, and a key takeaway from their planning and development was the only slight drop off of attendees after the RSVP stage. Consistently 85% of those who confirmed they would attend, did, up from a 70% attendance rate for regular events, suggesting a high level of engagement. Strategic photos and content on social media also yielded strong engagement, including a 9% engagement rate for an Alumni Burns event on Twitter, and 75 likes for a post on LinkedIn.

The team's decision to facilitate peer-to-peer networking opportunities held additional value for those attending and encouraged attendance and participation in future events. Use of digital branding showcasing Scotland's offer captured the attention of the office's audience and generated a significant ambassador network, leaving invigorated and ready to engage further in the conversation and with Scotland. These events lay the foundation for SDI colleagues to engage directly with the attendees after the fact to have deeper conversations with the intention of advancing Scotland's trade and investment objectives. Feedback from participants has been positive with most identifying that these types of events strike a better balance than those in the softer, more culturally focussed events.

# Investment

While delivering against the team's operating plan targets as outlined by the IIP, 2022-2023 marks the team's first year operating in a 100% non-virtual environment. While attracting foreign direct investment, the goal was to build the team's pipeline and re-establish SAO USA's network of strategic partners and engagement with key customers. Balancing the reality of the pandemic was a concern throughout the year. The team resumed business-related travel (air connectivity continues to be spotty at times) and overall, customers were happy to be re-connecting with the team. The return to in-person conferences and "referrals" (from partners, GlobalScots and across the business) continue to facilitate the team's pipeline growth. Significantly increased domestic competition from well-financed states, counties and cities has been a challenge. The team finds itself regularly competing against domestic locations for inward investment projects. In April 2023, all US markets emerged from the pandemic but in the first two quarters of 2022, the team continued to see markets navigating the impacts of the pandemic.

- **25** inward investment projects as a result of SDI support
- **1,099** planned total jobs
- **120** planned green jobs
- **1,099** jobs created/safeguarded RLW
- **£2,246,531** planned R&D investment
- **£1,674,321** planned capital investment

## Case study: Mangata Network

In December 2022, Mangata Networks, an innovative satellite-enabled cloud services company, announced that it had chosen Scotland as the location for its research & development activities as well as satellite manufacturing, space systems and core network operations. Over the coming few years, 575 new jobs will be created as part of Mangata's engineering and operations hub for satellite manufacturing and operations at the Prestwick International Aerospace Park in Ayrshire.

Mangata's investment is the culmination of a multi-year engagement across operational and senior team members of Scottish Government, Scottish Enterprise and SDI in Scotland and the US.

What makes the Phoenix, Arizona headquartered Mangata project so relevant is the transformational nature of the investment. While securing 575 RLW jobs is an immediate success and contributes to IIP and operational objectives, the investment facilitates a platform to attract the breadth of the small satellite ecosystem. This investment solidifies Scotland on the global stage of small satellite research & development and manufacturing. While landing a project of this scale required inputs from across the business; going forward, to capitalize on the "potential" of this project to transform the Scotland space sector ecosystem, you'll likely see the sphere of gravity shift more towards members of Team Scotland attracting additional new investment in field locations. The Mangata investment will resonate across field locations around the globe, not just in North America. As a final unintended consequence of this investment, it has opened the door to the "art of the possible" when it comes to attracting transformative foreign direct investment projects. Seeing Team Scotland come together to win this complex project has established a blueprint for the attraction of future transformative projects.

# Scotland's Interests

The pandemic years demonstrated the value of strong established networks, a consistent and regular digital presence and the need to continue being creative in approach to delivery. After the pandemic interrupted normal interactions, the team invested significant time in both re-establishing pre-pandemic relationships and newly engaging in-person with stakeholders with whom relationships were developed virtually. Recognising the power of these networks, SAO USA ensured that all events and engagements were branded accordingly and that messaging was clear – an invitation to engage and promote everything modern Scotland has to offer the across policy, business and higher education. Providing a consistent message backed by evidence allowed the team to mobilise an ambassador network for modern Scotland that had never existed before.

- **319 GlobalScots** in the US network, with **22** new members in the 22/23 fiscal year.
- **25 networks country wide** with significant footprints in Washington, DC, New York City, Chicago, Boston, Los Angeles, Houston and the San Francisco Bay area.

## Case study: Tartan Week 2022

Tartan Week aims to honour the profound contributions of Scottish Americans in the US, as well as the strong ties between our two countries.

This was the first Tartan Week program since the pandemic — and it was mobilised in around 9 weeks, instead of the normal lead-time of 6 months.

The program came with the challenges of re-establishing a robust program after a long break, rebuilding relationships with organisations after a long period without in-person engagement, a challenging budget situation for the project and a need to develop a Cabinet Secretary level programme to that would run alongside the wider events.

The team was able to deliver a six-day programme of events straddling Washington, DC and New York, including Tartan Day celebrations and both Political and Business engagements.

Our office hosted a Global Scot VIP Cocktail Reception followed by a Tartan Day Reception with over 200 participants, in partnership with the White House Historical Association. This allowed SAO USA to engage their networks directly, including those that had only been virtual connections, established virtually throughout the pandemic.

SAO USA partnered with the Scottish Business Network to host a luncheon for a room of 70 business ambassadors and key interlocutors in the US. The Cabinet Secretary's speech highlighted A Trading Nation, the Inward Investment Plan and the Trade Vision documents all published by SG in the last 2 years.

The Scotland House Alumni Reception hosted 190 alumni contacts to grow engagement and support the Higher Education sector. The team reflected on this model and have since changed to a more targeted alumni approach.

The annual Tartan Day Parade included approximately 2,600 people, who marched their way up 6th Avenue for masses of spectators along the route, led by Grand Marshall and award-winning Scottish actor Karen Gillan.

## Medium to long-term impact

Investment in people has been SAO USA's main approach over the last few years. Virtual working allowed the team to build relational momentum at a faster pace without travel, but this does have its limitations, and it was important to return to in-person engagements where possible. These relationships allow the team to mobilise networks that had previously been passive or lacked direction. SAO USA identified the value of these networks and acted as a voice to promote modern Scotland's offer in the US across trade and investment, policy and higher education. This long-term investment in relationship building was the groundwork necessary to secure meetings with high-level US politicians including Speaker Pelosi during First Minister Nicola Sturgeon's visit in May 2022. This visit was the first time SAO USA successfully secured meetings with leadership across the US House and government administrations in one programme, a direct result of strategic networking and sustained relationship building. SAO USA's mid-point goal was to create a network that would actively and consistently carry clear messaging about Scotland's offer to their organisations, local area and beyond. The team managed and maintained this network by developing the office's first CRM, which streamlines contact processes and maintains institutional knowledge even throughout periods of staff turnover.

## Lessons learned for FY2022/23

In 2022-23, the SAO covered a huge amount of events and visits, which has an inevitable impact on resilience at a corporate and personal level. This was in part due to many key interlocutors pivoting back to in person events post-pandemic, and the team wanted to demonstrate its commitment to remain a strong support both to Ministers and to wider partners — whether these were diaspora groups, business organisations, culture or higher education. Further key lessons include continuing to develop strong relationships with UKG in the US at official level, being able to tap into networks and events often allow us to promote Scotland's messaging to new audiences. In response to the increased volume of work (and decreased staff complement in 2023-24) decisions were made to invest time in streamlining the office's programmes in line with business planning objectives, including through the establishment of more practical and modern internal systems such as the development of a CRM, as well as making strategic decisions about declining or offering alternative support to engagements where there is particular stress on resources. The office will prioritize assisting stakeholders in three key areas moving forward:

- Remain relevant to modern Scotland by providing real-time messaging, encouraging our stakeholders to innovate their programmes year to year
- Consider diversity & inclusion, not only in our programming but particularly as regards stakeholder organisations – this will help future-proof both organisations and ambitions (age, gender, race) and better reflect modern Scotland.
- Encourage them to model their events to be self-sustaining, reducing the reliance on grant support from SAO USA (freeing up our limited funds for other activity).

# Conclusion

This publication has summarised some of the key activities, outputs and outcomes, as well as medium to long-term impacts and lessons learned, from the joint monitoring and evaluation reports provided by the Scottish Government and Scottish Enterprise (SE) / Scottish Development International (SDI). These reports cover work undertaken in those nine locations where both the Scottish Government and SE/SDI have a physical presence. These locations are: Brussels, London, Canada, China, France, Germany, Ireland, Nordics (Copenhagen), and USA.

The joint work is supported by two main pillars – the long term strategic outcomes, according to which the monitoring and evaluation reports have been structured, and the priorities mandate. A self-reporting approach, supported by quality assurance by analytical professionals within the organisation, was adopted to allow for reporting from across the nine locations. A copy of the reporting template can be found in Annex A.

In addition to various quantitative indicators across the Reputation, Research & Innovation, Trade, Investment, and Scotland's Interests strategic objectives, the report makes use of qualitative evidence in the form of case studies.

The monitoring and evaluation reports demonstrate the breadth of the work delivered by the Scottish Government and SE/SDI. As can be seen from the case studies this includes, but is not limited to, establishing new and strengthening old relationships and networks, promoting Scottish produce, demonstrating Scotland's cultural, business, educational and innovation offers, supporting companies set up operations in Scotland, and supporting Ministerial engagements.

In accordance with good monitoring and evaluation practice, the reports also consider lessons learned – including any challenges and opportunities – such as expanding networks outside capital cities, capacity and resource limitations, and harnessing the opportunities hybrid working and engagement provides.

Finally, given that much of the external network's work builds on previous efforts or takes shape over multiple years, the reports incorporate insights regarding medium to long-term impact. This section seeks to capture evidence of where the Scottish Government's and/or SE's/SDI's previous work is still showing impact.

# ANNEX A: Reporting guidance and template

## Publication plans

1. **The M&E reports will be proactively published.** This is good M&E practice in general, and supports transparency – but it also provides the opportunity to celebrate and showcase the great work done by the External Network. The Constitution, Europe, External Affairs and Culture Committee also recommended SG to publish annual reports in the future.
2. **With the publication in mind, consider any information (e.g. individual/company names) that may have to be anonymised.** You'll be the best experts on this in terms of what is and is not appropriate in the public domain. If you would like to incorporate names please seek permission from the relevant individuals first.
3. The International Network Team are leading on the Annual Report which is a separate publication to the M&E report – this will draw on the information provided in the M&E reports so no further work is required of the External Network. Colleagues may come to you with specific queries and questions to clarify things as they draft the Annual Report.

## Formatting/guidance

4. **Please do not format the template further** – we'll work on the final formatting once we have all the reports. **Please try to keep the pages as simple (and text-based) as possible.**
5. When completing the template, **please make sure to address all questions.**
6. Anything highlighted in red, should be deleted once your report is completed.
7. Please **do not use more than 1 page per strategic objective** (Reputation, Trade, R&I, Investment, Scotland's interests).
8. The **minimum font size is 12.**
9. The page numbers are limited, but **one additional page can be added** which you can use as you wish (e.g. a more in-depth case study on a specific piece of work).
10. If you include photos, every photo needs to include a description of what it shows and the source.

## Data/evidence

11. Please provide **one in-depth case study per strategic objective.** You can list some other examples (briefly!) in the summary section if you'd like.
12. The report will draw on both **qualitative and quantitative data.**
13. Quantitative (numeric) data are mainly used to report on the various indicators that are located in the box in the top right corner of each strategic objective page. **Much of these data will be provided by SDI centrally – please do not fill in details where it is signalled the data will come from SDI centrally.**
14. Your **case studies will likely mainly draw on qualitative data** (e.g. feedback, interviews, free text survey questions, evidence from media) – but you can of

course also include any relevant quantitative data (e.g. number of attendees, number of media articles).

15. If you identify a case study that would benefit from further data gathering (e.g. interviews/focus groups with stakeholders), please speak to analyst colleagues in the Constitution, International and Migration Analysis unit.

#### Impact/lessons learned

16. The last page aims to capture **long-term impact**. We ask you to go back to previous M&E reports and data you hold on work conducted 1, 2 or more years ago, and to provide examples of what long-term difference these interventions have made.
17. A key part of evaluations is **lessons learned** – the last page provides space to add your reflections. What did not go well? What did not go to plan? Were there any unintended consequences, potentially negative ones?



## **Context for 2022/23**

What is unique to the office; what resources are available  
(building, headcount – mandatory indicators)

## **Reflections**

What were the biggest achievements / biggest challenges for the offices



Photo

## Reputation

- What were your main aims/objectives?
- What went well, what did not?
- What challenges did you face?

## Stats/ Figures

- Twitter engagement rate and new followers (growth from previous year and absolute number) (mandatory – **provided by Dexa Comms**)
- Ministerial engagements (mandatory – provided by offices)
- Mentions in media articles (if number is meaningful/available, please also provide qualitative assessment in the summary or case study)

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## Case study (using testimonials; surveys; media; feedback; statistics)

**Use this box to provide context and background information on what was done to deliver your main output (what was the deliverable? E.g. event, report...) and outcomes (what changed?).**

Think about the following questions:

- **What resources did you put in? (Time, money, staff, etc.)**
- **What did you do and how? What tasks did you complete?**
- **What activities took place to produce the final output or deliverable?**

**Use this box to explain what the output or deliverable was (e.g. an event or meeting that you organised, a report you published), and what broader outcomes did this piece of work help you meet or work towards.**

Think about the following questions:

- **What was delivered (outputs)?**
- **What difference did it make?**
- **What were the intended and unintended outcomes (both positive and negative)?**
- **How can you prove this difference and (un)intended outcomes? What evidence / data could you draw on here?**

## International Trade

- What were your main aims/objectives?
- What went well, what did not?
- What challenges did you face?

**Please do not fill in – ALL provided centrally by SDI**

### Stats/ Figures

- Number of companies supported
- Number of international trade opportunities identified
- Forecast international sales as a result of SDI support

---

## Case study (using testimonials; surveys; media; feedback; statistics)

Use this box to provide context and background information on what was done to deliver your main output (what was the deliverable? E.g. event, report...) and outcomes (what changed?).

Think about the following questions:

- What resources did you put in? (Time, money, staff, etc.)
- What did you do and how? What tasks did you complete?
- What activities took place to produce the final output or deliverable?

Use this box to explain what the output or deliverable was (e.g. an event or meeting that you organised, a report you published), and what broader outcomes did this piece of work help you meet or work towards.

Think about the following questions:

- What was delivered (outputs)?
- What difference did it make?
- What were the intended and unintended outcomes (both positive and negative)?
- How can you prove this difference and (un)intended outcomes? What evidence / data could you draw on here?

## Research and Innovation

- What were your main aims/objectives?
- What went well, what did not?
- What challenges did you face?

### Stats/ Figures

- Number and type of engagements with stakeholders such as universities (mandatory – provided by offices)
- Number of events (example)
- Amount of funding secured (example)

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## Case study (using testimonials; surveys; media; feedback; statistics)

Use this box to provide context and background information on what was done to deliver your main output (what was the deliverable? E.g. event, report...) and outcomes (what changed?).

Think about the following questions:

- What resources did you put in? (Time, money, staff, etc.)
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- What was delivered (outputs)?
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- What were the intended and unintended outcomes (both positive and negative)?
- How can you prove this difference and (un)intended outcomes? What evidence / data could you draw on here?

## Investment

- What were your main aims/objectives?
- What went well, what did not?
- What challenges did you face?

**Please do not fill in – ALL provided centrally by SDI**

### Stats/ Figures

- Number of inward investment projects landed as a result of SDI support
- Number of planned total jobs
- Number of planned green jobs
- Number of jobs created/safeguarded paying RLW
- Planned R&D investment
- Value of planned capital investment

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## Case study (using testimonials; surveys; media; feedback; statistics)

Use this box to provide context and background information on what was done to deliver your main output (what was the deliverable? E.g. event, report...) and outcomes (what changed?).

Think about the following questions:

- What resources did you put in? (Time, money, staff, etc.)
- What did you do and how? What tasks did you complete?
- What activities took place to produce the final output or deliverable?

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Think about the following questions:

- What was delivered (outputs)?
- What difference did it make?
- What were the intended and unintended outcomes (both positive and negative)?
- How can you prove this difference and (un)intended outcomes? What evidence / data could you draw on here?

## Scotland's interests

- What were your main aims/objectives?
- What went well, what did not?
- What challenges did you face?

### Stats/ Figures

- Global Scots Network (size and growth) (mandatory – **provided centrally by SDI**)
- Number and type of networks Scotland is part of through office (mandatory)

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## Case study (using testimonials; surveys; media; feedback; statistics)

Use this box to provide context and background information on what was done to deliver your main output (what was the deliverable? E.g. event, report...) and outcomes (what changed?).

Think about the following questions:

- What resources did you put in? (Time, money, staff, etc.)
- What did you do and how? What tasks did you complete?
- What activities took place to produce the final output or deliverable?

Use this box to explain what the output or deliverable was (e.g. an event or meeting that you organised, a report you published), and what broader outcomes did this piece of work help you meet or work towards.

Think about the following questions:

- What was delivered (outputs)?
- What difference did it make?
- What were the intended and unintended outcomes (both positive and negative)?
- How can you prove this difference and (un)intended outcomes? What evidence / data could you draw on here?

## **Medium to Long-term Impact**

This section covers medium to long-term impact. Looking at previous years, are there examples of previous projects that have made a difference a year, two years or more later? How can you evidence this (statistics such as FDI, jobs created; testimonials; policies; collaborations, surveys, feedback etc.)? Remember to add relevant caveats where needed (there may be multiple contributing factors leading to an impact). Please do not use examples from the current year (2022/23) under review here – make sure to look further back and reflect how the work done in previous years is bearing fruit now.

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## **Lessons learned for FY 2022/23**

Please include here any challenges or lessons learned. What didn't go as well as planned, or did not go to plan? Why is that? What would you have done differently? What learnings have you taken away as a result? Please identify areas of improvement in the coming year.

## **ANNEX B: Scottish Government's external offices – budget**

| <b>Location</b>     | <b>Opened</b> | <b>Financial year 2022/23 costs (£)</b> |
|---------------------|---------------|---|
| Beijing, China      | 2005          | 567,000                                 |
| Washington DC, USA  | 2001          | 794,000                                 |
| Ottawa, Canada      | 2018          | 634,000                                 |
| Paris, France       | 2018          | 659,000                                 |
| Dublin, Ireland     | 2016          | 593,000                                 |
| Berlin, Germany     | 2018          | 572,000                                 |
| Brussels, Belgium   | 1999          | 2,467,000                               |
| London, England     | 2017          | 2,180,000                               |
| Copenhagen, Denmark | 2022          | 598,000                                 |





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