

THE BRUSSELS INVESTMENT AND INNOVATION HUB

Year 1 Operational Plan - 2017-18

This paper sets out the first joint operating plan for Scotland's EU representation – led by Scottish Government and Scotland Europa – in the context of developing our existing presence in Brussels into an *Innovation and Investment Hub*.

Context and approach:

- As with all the other hubs, a successful approach involves both how we are set up to deliver for Scotland in Brussels, and the framework and strategic priorities our partners in Scotland – particularly Scottish Government and Scottish Enterprise – establish for our work. Overall effectiveness requires genuine alignment, and rigorous collective priority setting and coordinated follow through in Scotland.
- In Brussels we have well established teams covering diplomatic, economic development and cultural promotion. The challenge is how to make the sum greater than the parts, and adapt to preparations for the post-Brexit environment. This operational plan has therefore sought to focus on shared priorities for the first year of operation whilst the opportunity areas in the plan reflect the existing commitment to the on-going work of both teams.
- The refurbishment of Scotland House to enable a shared work space is essential in order to enable the kind of collaborative working that is required to deliver this joint plan and is therefore a priority for the first business year.
- The nature of the economic development function is not based on bilateral relationships as, rather than attracting FDI from businesses in the local market or directly promoting exports, we concentrate on helping Scottish organisations to attract EU investment and on helping Scottish organisations to anticipate and influence changing EU policy and regulation, thereby increasing market awareness and creating economic development opportunities for Scotland.
- The prospect of locating SDI Staff in the Brussels Hub, to handle the conventional FDI and export activities in the Belgian market, is welcome, and should become a core part of the Hub. In the first year of the hub we will also work with SDI colleagues to develop our support to Scottish organisations in using their EU engagement experience as a calling card in other markets, and to develop other collaboration based international engagement opportunities.
- The nature of the work of securing EU investment is a long term prospect: for example, in order to be well placed to secure funding from the successor for research and development to Horizon 2020, 'FP9', we need to be influencing the priorities being established for that successor programme now, building on input to the mid-term review of Horizon 2020 and contributing to discussions on FP9. This applies equally to many other areas of focus for Scottish EU collaboration.
- While the short term (2018-2020) prospects around competitive EU funding are very challenging, given the uncertainties of the Brexit process, there is no plausible scenario in which we would want to withdraw from involvement in multilateral collaboration/projects at EU level (and both UK and EU27 are keen to see continued UK involvement in programmes such as the successor to Horizon 2020) – we want to develop these, as well as bilateral opportunities with other Member States and regions.

- Likewise on the diplomatic side, the Brexit process and development of long-term new relationships with the EU, will be a protracted process lasting well into the next decade. It is therefore vital that we retain the skills, relationships and networks which will allow us to be effective in whatever environment we find ourselves. In particular, during the current Brexit uncertainty, we actually need to do even more to maintain our profile and engagement in Brussels as well as in EU projects and networks – there should be no doubt that we are here for the long term.

Operational Plan 2017-18

The attached graphic outlines the overall plan, beginning in September 2017, and shows the relationship between the specific activities of the Hub, which support the EU engagement of different customers in Scotland (e.g. SG staff, SG Ministers, SE, Scotland Europa members), and the underpinning objectives, priorities and capability which supports those activities.

2017–18 is, by definition, a transitional year, with the plan based on the existing commitments of the two teams, as well as additional new priorities for hub working. The 2017-18 transition operating plan will focus on maintaining profile, visibility and relationships; realising short term opportunities; and preparing for future EU/international collaboration, in the context of Brexit.

Review of this approach will be built into the hub Operating plan for 2018-19, and will be completed before the end of the first year of operations of the hub, in September 2018.

AIMS

- To improve the effectiveness with which we bring together our diplomatic, economic and cultural activity to deliver Ministers objectives for strategic EU engagement, in particular in relation to Brexit.
- Attract EU investment to Scotland and support Scottish organisations to build productive international networks and collaborations that support economic growth.

OBJECTIVES

Adding value to existing services to SG, SE, Scotland Europa Members and stakeholders to achieve their EU engagement outcomes; maintaining our collaborative approach in the context of Brexit.

Supporting Scotland's economy by pursuing EU funding and investment opportunities and providing intelligence and advice on current and future regulation, policy and programmes, both on on-going business and in the context of Brexit.

Pursuing diplomatic relations with EU institutions, other Member States and Regions to communicate Scotland's priorities and influence EU decision making, both on on-going business and in the context of Brexit.

MEASURABLE ACTIVITIES

- Networks** to maintain and build Scotland's profile, reputation, visibility and relationships through strategic involvement in focussed areas of engagement, identify opportunities and secure Scotland's interests now and in future.
- Communication and dissemination** of information and intelligence to key stakeholders, helping to build capacity and knowledge in Scotland
- Visits and Events** programme to maintain and build profile and to raise awareness of Scotland's message and priorities as well as building capacity in Scotland
- Projects**; identifying opportunities, supporting project development, application support, identification of partners, monitoring and compliance to deliver economic benefit to Scotland.
- Subject matter expertise**; advising on EU issues in key priority areas for Scotland and able to represent Scotland's interests on important platforms now and in future
- Intelligence gathering and analysis** to support business development and planning, development of positions and strategies, influence decision making and to respond to Brexit

OPPORTUNITY AREAS

Scotland Europa		Scottish Government EU Office
Financial Services	Trade	Justice & Home Affairs
Regional/Cohesion Policy	Rural Development	Environment & Nature
Enterprise & Industry	Research & Innovation	Agriculture & Food (incl, Fisheries)
Economic Policy	Fair Work	Circular Economy & Bioeconomy
Climate Change	Energy	

2017/18 HUB PRIORITIES

- Deliver physical refurbishment to Scotland House, on time and on budget, to enable integrated Hub working.** *Contribute to overall development of strategic approach for the Innovation and Investment Hubs, including renewed international branding and International Framework.*
- Maximising Scottish investment attracted to Scotland through strategic EU opportunities and influencing development of FP9 to reflect Scotland's interests.** *Regardless of future relationships, international collaboration in research and innovation will be of critical importance to Scotland.*
- Maintaining Scotland's profile in the EU and prepare for future EU and international collaboration by developing skills, relationships and networks that support this activity.** *Building on EU experience, enhance wider international collaboration opportunities, working with SDI and other partners.*
- Develop our ability to support, understand and influence Scottish preparations for participation in the Brexit process and its impact.** *This will include specific intelligence gathering and support for domestic policy development, briefings and updates on process and progress with negotiations.*