Connecting Scotland: how Scottish organisations engage internationally

Dunira Strategy (DS)

1. Dunira Strategy (DS) welcomes the second strand of the Inquiry by The European and External Relations Committee on ‘Connecting Scotland: how Scotland can engage most effectively in a globalising world’.

2. As a small Scottish organisation with professional experience in more than 40 countries, often with Scottish and international partners, we have a very good understanding of how Scottish organisations engage internationally and how Scotland can engage more effectively in a globalising world.

What international activities are happening now in your sector and/or organisation? Please describe how and why these activities take place. Are other sectors or organisations involved? What do these activities contribute or achieve?

3. Defining our “sector” is problematic, which in itself has policy implications, as some government agencies have a tendency to categorise organisations in a way that can discourage innovation and interdisciplinary approaches.

4. Probably our sector is tourism, as our focus is on the “sustainable development and environmental management of tourism”, but it is also professional services and marketing, as we deliver a range of services in economic development, marketing, training and consulting. As well as government ministries and agencies, private sector companies, universities, community trusts and destination management organisations, our clients and partners include the International Co-operative Alliance, UNDP, UNEP, UNESCO, World Bank and World Tourism Organization, as well as NGOs such as Mercy Corps, The Prince’s Trust and WWF.

5. With more than one billion international tourist trips annually worth $1.4tn (6%) of world exports generating 9% of world GDP and supporting 9% of jobs worldwide, tourism is arguably the world’s largest industry. The UNWTO expects the volume of tourism to expand by 68% in the next 15 years, which is 3.3% per year; adding value at the same rate achieved in the past 15 years will make the value of tourism reach $4.4tn (+226%) by 2030.

6. Virtually every country in the world recognises the value and opportunity of tourism. Even countries emerging from conflict or natural disaster prioritise tourism, because it typically generates more foreign currency (FX) than any other sector and helps to showcase destinations to attract foreign direct investment (FDI). It also of course has a significant role in cultural exchange.

7. Scotland has world class expertise in tourism management, events and development.
8. Tourism involves every discipline, because “Tourism is everyone’s business”.

9. There are two reasons why Scottish organisations contribute to the sustainable development and environmental management of tourism: supply and demand.

(i) Scotland has expertise and (with an international outlook) enjoys sharing it. One area in which DS specialises is technical assistance to countries emerging from conflict or disaster, and our approach is largely based on our work for the Scottish Government more than a decade ago, devising a framework for nature based tourism in Scotland in the wake of Foot & Mouth. We are currently advising the Government of Sierra Leone on a recovery strategy in the light of Ebola and the Ministry of Tourism in Yemen on a post-conflict recovery plan; last year we devised a heritage tourism plan for the Government of Somaliland. We have also worked in Armenia, Ethiopia, Georgia, Iran, Iraq, Lebanon, Liberia, Pakistan, Palestine, Rwanda, Uganda, Ukraine and Yemen. In more ‘conventional’ destinations, such as the Balkans, Caribbean or South Asia, we do more ‘bread and butter’ activities: feasibility studies, options appraisals, institutional capacity building, representation and marketing campaigns.

(ii) There are many destinations around the world that have rich heritage resources and could benefit from this kind of technical assistance to help realise their potential value. Tourism has a massive role in social and economic development, contributing to sustainable development and growth, which is a foundation of peace: by creating alternative livelihoods support for tourism development can become a driver of counter-terrorism, particularly benefiting women and young people in rural areas.

10. As tourism expands and tourists become more adventurous in their choice of destination, the benefits grow too. International development policy is now firmly behind “Trade, not aid”: increased investment in the promotion of trade and enterprise and the realisation that it must be positioned close to the heart of the development process has contributed to the growing importance of the tourism sector. Tourism, if developed and managed sustainably, can be a powerful driver of positive social and economic change, as long as host communities and the private sector have the capacity to effectively manage tourism and routes to market.

11. Scotland is exceptionally well placed to assist in supporting the development of other international destinations. With such rich heritage and historic (if sometimes shameful) links with many regions (missionaries in East and Southern Africa, colonial administration in Asia trade/slave merchants in West Africa, clan links with North America and Australasia),
there is much to be learnt from these regions and much expertise that SMEs can contribute. Naturally, as tourism links improve between two countries so too does international trade, from which Scotland can certainly benefit. We often find that being a “Scottish” consultant (rather than “British”) produces a very positive reception.

12. DS is committed to establishing tourism as an economic driver and we are proud of the projects we have completed. Working primarily in emerging destinations, DS empowers host communities to grow tourism and begin the process of reconstruction through peace and mediation, sharing of culture and sustainable development. In the majority of projects, we collaborate with a local partner, partly to utilise their local knowledge, but more to build local consulting capacity, so that destinations do not become dependent on foreign assistance.

13. In some of the destinations DS operates, official UK Travel Advice prohibits both trade and tourism, often on the basis of ill-informed or lazy intelligence. Given that tourism is arguably the world’s largest industry, it would be sensible to facilitate the growth of tourism as a development measure, particularly through the adoption of pro-poor tourism initiatives. With better informed Travel Advice, tourists will be encouraged to make their own fully informed decisions about when and where to travel (on holiday and business). DS recently undertook a project in the self-declared State of Somaliland and this was hindered by the blanket FCO travel advice applied to the region of Somalia (which is considered by the international community to also include Somaliland). Unlike Somalia, however, Somaliland has had a stable and functioning government with peaceful democratic elections since 1991. They have significantly rich cultural and heritage tourism assets and would be enjoyed by many Scottish and British tourists given that it was previously a British protectorate. Unfortunately the unjustified advice has deterred people from visiting this remarkable destination. But through the efforts of one Scottish SME and a local Somaliland NGO, six tour operators are now taking customers to Somaliland, creating employment and thereby undermining Al Shabab.

Do you think your sector and/or organisation is effective in participating in international activities? If not, what would help you to make improvements? What prevents you from making improvements now?

14. Scottish expertise in the field of tourism development is well recognised.

15. There is a handful of other Scottish SMEs in a similar field. We often find ourselves competing for international tenders, and we sometimes form a consortium. This has proved successful and ensures that there is an ability to promote Scottish skills and a concentration of world-class expertise. A recent example of collaboration with other partners brought together DS, Ezone and Queen Margaret University (all in Scotland) and a number of local partners for a Scottish Government funded project to develop a
network of co-operative destination management organisations (cDMOs) in rural India.

16. Universities and NGOs are important partners in international development as they bring complementary skillsets. Consulting staff are often subcontracted by larger organisations that lack the relevant competencies in-house, and leading NGOs recognise the contribution that SMEs can make. Mercy Corps for instance employed a DS consultant to deliver the tourism component of a $12m USAID funded alternative rural livelihoods programme in Lebanon, whilst The Prince’s Trust commissioned DS to conduct an evaluation of an online certification tool that had been developed for the hotel industry.

17. DS works with a number of international associations and organisations, such as the Scotland Malawi Partnership, Rwanda Scotland Alliance and Scotland Russia Forum, all of which are rich and productive environments. There is merit in supporting such organisations, as they are all committed to the promotion of Scottish expertise and international development.

18. There is an opportunity for the Scottish Government’s International Development Programme to do more to encourage contributions by Scottish SMEs. As a case in point, the recent Malawi Round almost invariably awarded grants to large NGOs (some with only a nominal presence in Scotland), whilst proposals from SMEs and other private sector were broadly rejected for reasons that appeared to show a misunderstanding of how the private sector operates. Expertise (particularly amongst specialist SMEs) can contribute to sustainable economic development, especially when needs have been identified in close consultation with the Government of Malawi, which had put tourism at the top of its agenda. The Scottish Government is now reviewing the programme and we look forward to changes being made.

19. Despite its modest size, Scottish Development International (SDI) is an outstanding organisation. But in some emerging markets it is entirely dependent on UK Trade & Investment (UKTI), which has a policy of charging for anything and everything. This is reasonable for large companies, but there is no special provision for SMEs, making market entry in some parts of the world prohibitive. This hinders growth of Scottish business. There may be an opportunity for some services to be provided free to Scottish SMEs.

What should organisations in Scotland do to be effective internationally? Are you aware of any good examples of this from Scotland or another country?

20. Scottish organisations should continue to celebrate Scotland’s expertise and success, and embrace interdisciplinary and cross-sector partnerships within Scotland and internationally.
21. The Scottish tourism consultancy sector, which contributes to sustainable development, is well supported by the work done by governmental agencies, such as SDI; always approachable and flexible, they deliver training and support. VisitScotland (VS) has worked with DS on some international engagement projects and recently worked in collaboration with DS in hosting a tourism delegation from Zimbabwe. VS is a model of good practice, which we are always delighted to draw on as a case study. It has been successful in developing tactical and strategic national and international marketing campaigns on behalf of the whole industry, advocacy on behalf of the industry to other industries and to government (Scottish, UK, European), communication of government policy and legislation to tourism businesses, facilitation of training initiatives and other industry communication fora, development of eTourism infrastructure and other marketing media, promotion of local business networks. There may be additional opportunities for Co-operative Development Scotland (part of Scottish Enterprise) to become more involved in international activities, since their work with tourism co-operatives is world class. Both Scottish Enterprise and Highlands and Islands Enterprise could become more involved in the promotion of international marketing by Scottish tourism businesses.

**Other points**

22. DS has an excellent relationship with universities, mentoring students, lecturing at seminars and offering internships, which sometimes lead to employment. These are very important relationships and of benefit on both sides.

23. The pool of international students and graduates in Scotland is particularly valuable for a consultancy working internationally. At the same time, there would be merit in the Scottish Government reviewing its education policy on foreign languages. The lack of Russian language teaching is perhaps our greatest concern here.

24. Climate Change will increasingly impact tourism destinations. Drawing on its Enlightenment tradition, Scotland has a strong record of research and development in environmental management and impact mitigation. There is scope for Scotland to emerge as a world leader in sustainable tourism, as demonstrated by Dunira’s earlier work for Scottish Natural Heritage, benchmarking Scotland’s performance against the rest of Europe. The Scottish Government should identify an agency to lead in this area; VS might be the most appropriate.

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