

Written submission from Scottish Fair Trade, 25 September 2026

Pre-budget scrutiny 2027-28

Europe, External Affairs and Culture Committee

Scottish Fair Trade welcomes the opportunity to provide evidence to the Committee's pre-budget scrutiny of the Scottish Government's 2027-28 Budget.

As the national body responsible for coordinating Scotland's status as a Fair Trade Nation, Scottish Fair Trade works with local authorities, schools, universities, faith groups, businesses and communities across Scotland to promote Fair Trade and strengthen understanding of global justice issues.

We welcome the Scottish Government's continued commitment to international development and global solidarity at a time when many donor governments are reducing development assistance and retreating from international cooperation. Scotland's approach, grounded in partnership, solidarity and mutual learning, remains both practically important and symbolically significant.

Scottish Fair Trade broadly echoes the recommendations made by Scotland's International Development Alliance regarding the importance of delivering the proposed increase in the International Development Fund early in the parliamentary term, protecting its value in real terms and providing greater certainty through multi-year funding arrangements.

Our evidence focuses on areas where Scottish Fair Trade can offer a distinctive perspective, particularly around public engagement, Fair Trade, economic justice and policy coherence.

Recommendations

1. Deliver the 25% increase early and protect its real value

Scottish Fair Trade strongly welcomes the Programme for Government commitment to increase the International Development Fund by 25%.

However, we encourage the Scottish Government to deliver this increase in the 2027-28 Budget rather than phasing it in towards the end of the parliamentary term. Delayed implementation reduces both the practical impact and cumulative value of the commitment.

While a 25% increase is welcome, it should also be recognised that a significant proportion of this growth will be required simply to maintain the Fund's real-terms value following a prolonged period of inflation.

At a time when development finance is under pressure globally, early delivery of the commitment would provide confidence to Scottish organisations, international partners and the communities they work alongside.

2. Support long-term partnerships through multi-year funding

Scotland's international development contribution is strongest when built on long-term relationships and partnerships.

Effective partnership working requires stability and predictability. Organisations in Scotland and overseas need sufficient certainty to retain staff, invest in relationships and plan programmes beyond annual funding cycles.

As new funding mechanisms are developed, including the proposed Aid Match scheme, these should complement rather than replace existing funding streams and should be designed to support long-term partnership approaches. Funding should also remain accessible to smaller organisations and community-based initiatives that play an important role in strengthening Scotland's global connections and public engagement.

3. Continue investment in Fair Trade Nation and public engagement

Public support for international development and global solidarity cannot be taken for granted. Investment in public engagement helps people understand the links between their everyday lives and global challenges such as poverty, inequality, climate change and workers' rights. Fair Trade provides one of the most accessible entry points into these conversations, encouraging people to consider who produces the goods they buy, under what conditions, and how global trade can contribute to sustainable development.

For almost two decades, Scotland's Fair Trade Nation campaign has helped establish Scotland as an international leader in Fair Trade and global citizenship. Continued investment is important not only for Fair Trade itself, but for the wider objective of building public understanding of global issues and maintaining support for Scotland's international development ambitions.

Scottish Fair Trade notes that the Scottish Government continues to provide core funding for four key networking organisations within Scotland's international development community: Scotland's International Development Alliance, Scottish Fair Trade, the Scotland-Malawi Partnership and the Malawi-Scotland Partnership. Together, these organisations play distinct but complementary roles in supporting global citizenship, strengthening partnerships, convening diverse stakeholders and amplifying the impact of Scotland's wider international development activity. Core funding for these organisations has remained unchanged for a number of years and, in a period of rising costs, this has resulted in a significant real-terms reduction in support.

As part of the planned increase to the International Development Fund, the Scottish Government should review the funding provided to the four core-funded network bodies to ensure it remains sufficient to fulfil the functions expected of them.

In the case of Scottish Fair Trade, this investment underpins Scotland's Fair Trade Nation programme, supporting engagement by schools, universities, local authorities, businesses, faith groups and communities across the country, while strengthening links with producer communities overseas. Continued investment in Fair Trade Nation should therefore be viewed not simply as support for an individual organisation, but as investment in the infrastructure that underpins public

engagement, global citizenship and Scotland's wider international development objectives.

4. Use new partnership models to support economic resilience

Scottish Fair Trade welcomes the commitment to develop new modes of funding and partnership. As these models are designed, we encourage the Scottish Government to recognise the role that Fair Trade can play in supporting sustainable development outcomes. Fair Trade demonstrates how market access, fair pricing and long-term trading relationships can help communities increase incomes, invest in local priorities and build resilience to economic and climate-related shocks.

Through our work with producer organisations in Malawi and developing partnerships in Zambia and Rwanda, we have seen the potential for approaches that strengthen sustainable livelihoods, economic resilience and local ownership alongside traditional development assistance.

Scotland's contribution to international development should not be viewed solely through the lens of aid expenditure. Fair and ethical trade, responsible procurement, public engagement and knowledge exchange can all contribute to sustainable development and economic justice.

5. Strengthen policy coherence across government

The impact of Scotland's international development efforts is determined not only by the size of the International Development Fund but also by the extent to which wider government policies reinforce international development objectives.

Scotland's status as a Fair Trade Nation should be reflected more consistently across government policy, including:

- Public procurement
- Responsible business guidance
- Community Wealth Building initiatives
- Human rights and business policy
- Education and lifelong learning
- Climate justice

A stronger cross-government approach would align domestic policy more closely with Scotland's international development ambitions and strengthen Scotland's contribution to global justice.

As the Committee considers budget priorities, investment in Fair Trade and global citizenship should be understood as part of a wider cross-government approach to delivering Scotland's international development objectives.

6. Focus on implementation rather than a full strategy review

Scottish Fair Trade recognises the importance of regularly reviewing policy and programmes.

However, we believe the priority for the current parliamentary term should be implementation of existing commitments, including delivery of the planned increase in the International Development Fund and development of new partnership mechanisms.

While the Programme for Government includes a commitment to review existing programmes, we would caution against a lengthy strategy review process which risks creating uncertainty and delaying delivery. Resources should be prioritised towards delivery of existing commitments and support for partnerships, rather than an extensive strategy review process.

We would support a focused review examining:

- Alignment with Scotland's Feminist Approach to International Relations
- Policy coherence across government
- The effectiveness and accessibility of existing funding mechanisms
- Opportunities to strengthen long-term partnership approaches

Summary of recommendations

1. Deliver the planned 25% increase in the International Development Fund in the 2027-28 Budget and ensure future increases keep pace with inflation.
2. Expand the use of multi-year funding arrangements and ensure new funding mechanisms remain accessible, predictable and partnership-focused.
3. Maintain and strengthen support for Scotland's Fair Trade Nation programme and wider public engagement activity.
4. Ensure new funding and partnership models support economic resilience, sustainable livelihoods and Fair Trade approaches alongside traditional development programmes.
5. Improve policy coherence by embedding Fair Trade and global justice principles more consistently across government.
6. Undertake a targeted review of implementation, policy coherence and funding effectiveness rather than a full review of Scotland's International Development Strategy.