

The Scottish Government's Plan for Engagement with China

Purpose

What is the China Plan?

1. The refreshed Scotland-China Plan outlines the Scottish Government's aspirations for Scotland's engagement with China. It outlines what Scotland aims to achieve in terms of its relationship with China, focusing on those areas that are relevant to China and where Scotland can offer excellence and has a true competitive edge.
2. The Plan explains how the Scottish Government and public bodies will work, often in partnership, to create the right conditions under which these aims will be achieved. It is not a complete description of everything that the Scottish Government will do in China. However, it seeks to explain broadly what the Scottish Government and its agencies will prioritise and the areas which will be the focus of activity for the Scottish Affairs Office in Beijing and Scottish Government agencies represented in China. The Plan will also provide renewed focus to the work of officials in International Division and to the work of other officials in the Scottish Government who cover China.
3. The targets/outcomes (outlined in Annex 1) run to 2011. However, in developing inputs under this Plan we are clear that we are developing a long-term relationship with China which requires long-term commitments.
4. The Plan offers a new sense of priority and purpose in Scotland's relations with China. It sits as one element within the International Framework which shows how the Scottish Government maximises the impacts of our international activity and demonstrates how engagement with China will contribute to the key purpose of this government, namely to **focus the Government and public services on creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth**; and the need to place Scotland as a responsible nation and partner on the world stage.
5. The Plan has been developed by the Scottish Government in consultation with stakeholders from the public and private sector across Scotland. These have been consulted through a cross-sector consultation group of about 20 stakeholders that met in September 2007, and through one-to-one communications. Their views have been reflected in this Plan.
6. The Plan also builds on the experience of the previous administration's China Strategy (launched in 2006) supporting and developing what works; and aligning that more closely with the purpose of Government. For example, we will continue to build on the links developed with Shandong Province, and to identify areas of bilateral mutual benefit.

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Who is the China Plan for?

7. It provides a decision making framework for the Scottish Government and its agencies to support the development of China-related activity and associated allocation of resource. The China Plan explains to Scotland's public and private sector what the Scottish Government's priorities are in relation to China.

What do China and Scotland gain from a China Plan?

8. China, is an emerging global economic power, is an essential partner for Scotland in both the medium and long term. Engagement with China is possible across many sectors, activities and geographical areas. The China Plan brings focus to these opportunities, providing the framework to ensure that the effort of the Scottish Government and its agencies is focused on those areas that matter most and that can achieve maximum impact for Scotland in the context of the Government's strategic objectives.
9. Although vastly different in size, we share some common challenges with China. We have both experienced significant changes in the shape of our domestic economies within the past 20 – 30 years, albeit on different scales. We are both actively pursuing research and commercialisation opportunities in the fields of low carbon and renewable energy technologies and life sciences – sectors which both countries have identified as key to their future prosperity. Scotland also has some experience that may assist China in some of the issues it faces such as maintaining the quality of higher education in the face of rapid expansion, unlocking the potential of lifelong learning within its population and helping to shape rural development priorities.

Key features of Scotland's China Plan

- Aligned to the Scottish Government's purpose of sustainable economic growth; and supports the five strategic objectives and three international strategic objectives;
- Aligns strategies of Scottish Government and agencies and encourages collaborative partnerships with public and private sector, is consistent with the Government's International Framework being published in parallel;
- Focus on the role of Government in areas and interventions that can add value to development of Scotland's engagement with China;
- Focus on areas of Scottish excellence and niche fields that are relevant to China and offer potential for mutual benefit;
- Focus on clear reason for and benefit of engagement;
- Focus on long-term engagement;
- Relies on realistic resourcing commitments;
- Ambitious and realistic.

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Scotland's China objectives in the context of the Scottish Government's strategic objectives

10. The Government Economic Strategy sets out clear strategic objectives and targets to deliver the Government's purpose of sustainable economic growth. Engagement with China is already making, and will continue to make a contribution to three of the strategic objectives – Wealthier and Fairer, Smarter and Greener Scotland. This Plan sets out how the Scottish Government and its agencies will focus engagement with China to support achievement of these strategic objectives by contributing to the Government strategic targets (provided in Annex 2):
11. The Scottish Government has also put in place three international strategic objectives to reflect Scotland's broader aims in the international context. These are:
 - creating the conditions for talented people to live, learn, work and remain in Scotland – so that Scottish population growth matches EU average;
 - bringing a sharp economic growth focus to the promotion of Scotland abroad – so that the Scottish GDP growth rate matches the UK's by 2011; and
 - managing Scotland's reputation as **a distinctive global identity, an independent minded and responsible nation** at home and abroad and confident of its place in the world.
12. These international objectives provide additional focus for the work of the Scottish Government and its agencies in China.
13. At a general level, through representation of Scotland in China that is independent of the wider UK programmes we will continue to raise the profile of, and promote engagement with Scotland in its own right across all sectors and policy areas supporting Scotland's reputation as a distinctive global identity, an independent minded and responsible nation at home and abroad and confident of its place in the world. This objective is also supported through education, scientific research and business development in fields of excellence such as financial services, life sciences and low carbon and renewable energy technologies and modern rural development which can position Scotland as a responsible nation in the world in areas of increasing importance and relevance to China. We will also encourage Scotland's participation in international organisations enhancing Scotland's reputation in niche areas as a player on the international stage. For example, the Scottish Government is currently

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jointly funding an OECD rural policy review in China to help the Chinese national government in its aim to improve the quality of life for hundreds of millions of rural people in or near poverty based on the experiences of OECD countries.

14. Scottish Ministers will take the opportunity to raise with appropriate senior Chinese figures concerns about Human Rights in China. We will encourage Scottish organisations to engage in programmes in China which are designed to have positive impact on human rights.
15. Through the work that contributes to the **Wealthier and Fairer** strategic objective we will be contributing to the longer term prosperity of Scotland, building on areas where we already have comparative advantage in the global economy (e.g. financial services, life sciences, education, low carbon and renewable energy technologies) and working to develop emerging ones. Since Scotland buys many products from China, the **Greener** national outcome of Scotland reducing its global environmental impact demands that we seek to influence Chinese production in ways that allow our consumption to be more sustainable. The need to address travel related emissions from improved links with China is recognised. Efforts should be made to minimise emissions associated with travel such as encouraging the use of technologies in business that reduce the need to travel. These approaches support the Government's key purpose to increase sustainable economic growth.
16. The following indicates how Scotland's individual China objectives will contribute to the Government's strategic objectives:

Objective 1. Increase Chinese language learning and learning about China in Scottish schools

17. The learning and teaching of Chinese in our schools supports the aim of ensuring all young people have an international education delivered through all curricular areas. The main aim is to prepare young people with a range of knowledge and skills with which to engage in today's increasingly multicultural and globalised society, where young people travel widely for jobs and speak a variety of languages. It will also ensure that young people develop respect for different traditions, attitudes, religions and beliefs, and in so doing, become more accepting and understanding individuals. Creating a supportive environment for Chinese language teaching and learning and stimulating an interest in China at an early age will contribute to delivering on the commitment for Curriculum for Excellence. The knowledge and skills gained should have a positive impact on the Government's labour market participation and GDP growth targets supporting the **Smarter** and (in the longer term) the **Wealthier and Fairer** strategic objectives.

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18. The Scottish Government will support a range of initiatives including:
- Continued general support to Scotland's Confucius Institute at the University of Edinburgh for delivery of Chinese language and culture teaching across Scotland;
 - Strengthening opportunities for teachers and pupils to learn about Chinese language and culture through a cooperation agreement between Learning and Teaching Scotland (LTS) and the Office of Chinese Language Council International (the Hanban). This will include the establishment of Confucius Classrooms in Scottish schools, visits and language courses for teachers, summer schools and joint school projects;
 - Development of an online hub to support teaching of Chinese language and culture in Scotland;
 - Sharing of expertise in teaching of Chinese language and culture through joint projects on pedagogical approaches between schools and teacher education institutions in Scotland and China.

Objective 2: Increase Sino-Scottish collaboration between our universities, build relationships with our colleges and their Chinese counterparts and develop shared lifelong learning opportunities

19. The Government has made a commitment to support efforts to attract more international students (International Lifelong Learning Scotland's Contribution 2007) to study in Scotland. Increased linkages at institutional and individual levels will increase the flow of Chinese students to Scottish colleges and universities, contributing to the economy through the immediate spend of students, the expenditure of friends and relatives that visit them, the business links they develop and the affinity they develop to Scotland. In addition an increased student population will contribute to Scotland's population growth target in the short term, and also in the longer term should students decide to remain in Scotland to work for a period following graduation.
20. In addition, internationalisation of Scotland's college and university sector through partnerships, programmes and exchanges with Chinese individuals and institutions will not only increase opportunities for education and research related business development. It will also increase opportunities for dialogue on a range of issues concerning higher education, vocational education and skills, thereby enhancing the further development of lifelong learning in both Scotland and China. In addition Scottish students will gain the China experience creating an international angle to their education. Chinese academics and students in Scotland will also absorb the serious way we treat our impact on the global environment, and this in the long term can help build and maintain links for greener

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businesses and opportunities for Scotland to take a lead role on global environmental issues. Overall this objective will contribute to the Government's labour market participation, population growth and wider GDP growth targets, supporting the **Wealthier and Fairer, Greener and Smarter** strategic objectives.

21. Scottish Development International (SDI), the international trade and investment arm of the Scottish Government, will continue to work with Scotland's colleges and universities in the same way that it works with Scottish companies to help them exploit commercial opportunities overseas and become more internationally competitive.
22. The Scottish Government will support a range of initiatives including:
 - Reach agreement on strategic Sino-Scottish collaboration in education through a new Memorandum of Understanding with the Ministry of Education;
 - Develop an implementation plan to take forward the activity envisaged in this Memorandum of Understanding;
 - Identify the key characteristics of the formal education systems of China, covering school, further and higher education and the vocational education sectors and compare them with the structure of the Scottish education system;
 - Consider the scope for detailed benchmarking of the Scottish Credit and Qualifications Framework against the Chinese education system;
 - Arrange a series of policy dialogues on: quality assurance and governance; lifelong learning; vocational education and training; and skills development;
 - Participation by Scottish students in summer schools for undergraduates and other Scotland-specific programmes;
 - Promotion of Scottish education including our cutting edge approach to eco-schools, at regular exhibitions and through the media across China;
 - Revised programme of scholarships for excellent Chinese candidates in specific fields;
 - Continue to support participation in the DIUS Scholarship for Excellence Programme.

Objective 3: Increase Sino-Scottish research and development projects and programmes

23. The Government recognises that Scottish universities, institutes and Public Sector Research Establishments are competing globally in research and development and has committed to provide more government support for them to continue to do so as a key driver in Scotland's economic and enterprise agenda. Development of research and development with China in niche areas of strength and mutual interest (such as in life sciences, low

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carbon and renewable energy technologies and plant biodiversity) will raise the research profile and competitiveness of Scottish universities and institutes in these sectors. This will allow them to retain and attract the best talent and lead to business opportunity, supporting both the **Smarter** and **Wealthier and Fairer** objectives by contributing to Government labour market participation, population and GDP growth targets. Research into low carbon and renewable energy technologies will also support the **Greener** objective and Scotland's aspiration to become the green capital of Europe, contributing to Government climate change objectives. Research into life sciences will contribute to the **Healthier** objective and extend Scotland's excellent brand reputation in this area within China.

24. The Scottish Government will support a range of initiatives including:
 - Specific activities to increase research collaboration in the life sciences and low carbon and renewable energy sectors. This includes sending two academic missions to China to discuss where Scottish and Chinese research is complementary within each area;
 - Specific activities to increase the development of environment related research;
 - Development of Sino-Scottish Scholarships for PhD scientific studies, which aim to exploit business/university links and enable PhD students to study in one another's countries.

Objective 4: Attract increased tourism to Scotland

25. The development of Scotland's tourism industry is a Government priority. An increase in tourism (potentially group and niche tourism such as golf, families of students, business-extender and convention) will contribute to an increase in GDP supporting the **Wealthier and Fairer** objective through an increase in tourism expenditure in Scotland, the development of tourism-related business and the creation of long-term customers for Scotland's food, drink and cultural exports. We also recognize the importance of food and drink as a contributor to tourism revenues as it enhances Scotland's attractiveness as a place to visit.
26. The Scottish Government and its agencies will support a range of initiatives including the following:
 - Awareness raising and promotion of Scotland as a tourism destination exploiting themes to include whisky, golf, scenic and heritage touring, and international festivals and events. Scotland will be promoted through the media in China and by bringing media groups to visit and report on Scotland.

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- Awareness raising and promotion of Scotland to specific target audiences – for example extensive promotion of Scotland as the Home of Golf, development of business tourism and the convention market through direct promotion to the corporate sector and agencies operating in China, development of the friends and relations of students market.
 - Development of relationships between Scottish suppliers and Chinese tourism agents, e.g. through hosting conferences for Chinese and Hong Kong buyers in Scotland and attending travel shows and other events in China.
 - Managing sales missions to key cities in China to develop and maintain key contacts and raise the profile of Scotland as a tourism destination through the media.
 - Familiarisation trips to Scotland and delivery of destination training for Chinese tour operators.
 - Support for Scottish suppliers in developing the market – for example through development of a training programme for the development of Chinese (Mandarin) speaking guides.
 - Development of Chinese language printed materials (1. Newsletters, 2. Scotland consumer brochure).
 - Development of on-line trade communications (1. monthly e-newsletter, 2. Scotsagent.com education site made available in Chinese from November 2007 and now has 160 Chinese members).
 - Maintain an up-to-date picture of opportunities through market research and a supplier audit.
27. In addition VisitScotland will continue to work closely with VisitBritain to ensure Scotland benefits from the platform offered by VisitBritain's presence and operations in China.

Objective 5: Encourage greater internationalisation of Scottish companies in China

Objective 6: Expand connections between businesses in Scotland and China

28. Development of trade and business links with China focused on Scotland's priority industries (those with forecast growth rates two to three times that of the underlying Scottish economy) will contribute to Scotland's sustainable economic growth. Trade and business links will contribute to Government GDP growth targets and more specifically productivity, labour market participation, income, population and emissions targets supporting the **Wealthier and Fairer** and **Greener** strategic objectives.
29. Many of the opportunities for Scotland in China lie with the internationalisation and growth of Scottish companies. Aligned with Scottish Enterprise and Highlands and Islands Enterprise Industry strategies, SDI will support the internationalisation of Scottish companies,

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colleges and universities in China with a particular focus on financial services, energy, life sciences, electronics and education where Scotland's strengths match critical growth areas for key developing industries in China. SDI will also support Scottish companies in sectors such as food and drink and textiles where there are niche consumer based business development opportunities. SDI will also continue to work closely with the China-Britain Business Council as a key partner in identifying and raising awareness of opportunities to Scottish companies. Local Authorities will have a continuing role of developing business and trade links with municipalities in China (e.g. between Yantai and Angus) where there are clear benefits for companies engaging in a variety of trading links.

30. SDI will both encourage Chinese investment in Scotland and promote two way business between Chinese and Scottish companies in these priority industries by proactively developing relationships with Chinese companies and facilitating collaborative opportunities that support the internationalisation plans of both parties. SDI will also develop strategic industry level collaboration in these priority sectors in partnership with government colleagues and industry stakeholders.

In line with this approach, SDI will maintain a focus on the following areas:

Overall activities

- Providing tailored support to the pipeline of Scottish companies seeking to develop their internationalisation activities in China;
- Raising awareness of opportunities in China in a range of priority sectors for Scotland with the relevant Scottish companies;
- Identifying, targeting and developing relationships with Chinese companies whose internationalisation plans fit with Scottish capability;
- Developing and leveraging the Globalscot network to support Scotland's economic development priorities;
- Ongoing research and development activities in the China market to identify and deliver opportunities for Scottish companies, colleges and universities that fit with Scotland's industry strategies;
- Seeking inward investment opportunities from China.

Electronics and telecommunications specific:

- Working with the top Chinese electronics and IT companies to introduce Scotland and Scottish companies as a bridge to the EU market;
- Seeking co-operation opportunities that may lead to the set up of logistic and after sales facilities in Scotland;
- Promoting Scottish university research capabilities to top Chinese IT companies to encourage collaboration that may lead to research and development (R&D) and design investment in Scotland.

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Life sciences specific:

- Working intensively with target companies to showcase Scotland's R&D capabilities and position Scotland as a global life sciences centre;
- Facilitating visits from top Chinese life sciences companies to Scotland to identify and encourage collaboration opportunities with Scottish companies, colleges and universities;
- Developing a 'cluster' of key Chinese life sciences companies who are engaging with Scotland thus securing Scotland's position as a choice location for R&D investments in the medium to longer term.
- Working with the Scottish Government to progress collaboration with China's Ministry of Science and Technology (MOST) and other partners on Life Sciences research and commercialisation.

Financial services specific:

- Promoting Scotland's expertise in sectors such as banking, insurance, fund management, asset servicing and banking standards and related education;
- Developing relationships with Chinese qualified domestic institutional investor (QDII) companies as well as with the China Investment Corporation (CIC) – the newly formed Chinese state-run investment company – to identify opportunities for Scottish fund managers;
- Promoting Scotland's specific strengths in education and training to Chinese financial institutions to close their comparative skills gap with foreign players.

Energy specific:

- Identifying and promoting specific Scottish capabilities in low carbon and renewable energy technologies to relevant Chinese companies and institutions;
- Building close relations with key Chinese energy companies and their subsidiaries (especially China National Offshore Oil Corporation, Sinopec & Petrochina) to promote Scottish oil and gas expertise;
- Working with the Scottish Government to progress collaboration with China's Ministry of Science and Technology (MOST) and other partners on a framework for research into, and commercialisation of, low carbon and renewable energy technologies.

Food and drink specific:

- Translate the priorities established by Scotland Food and Drink, the new industry body, into market development opportunities to increase exports

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beyond the current niche products and build on Scotland's reputation as a Land of Food and Drink.

Objective 7: Develop understanding of Scotland's national identity through raising awareness of Scottish culture in China

31. Culture can add significant value to educational, scientific and business activities. It can help to articulate our distinct national identity, enhancing mutual understanding and creating an atmosphere of trust and celebration. Scottish artists and cultural practitioners may in turn benefit from opportunities to share their skills, present their work to new audiences, reach new markets and establish creative collaborations with their peers in China. Overall this objective supports **the Wealthier and Fairer** and **Smarter** objectives and contributes to Government GDP targets.
32. In this context, the Scottish Government, its agencies and local government will support and facilitate actions that contribute to the understanding of Scottish culture including:
 - Facilitate communications about Scottish culture (traditional and contemporary) through Chinese media;
 - Identify and communicate opportunities for Scottish cultural bodies and organisations to engage in large scale events (e.g. Shanghai Expo 2010) and other opportunities in China;
 - Identify and communicate opportunities for companies and individuals to perform/exhibit in China;
 - Support the development of long term relationships between artists and arts organisations in Scotland and China through opportunities such as Connections Through Culture which facilitate exchange and collaboration;
 - Support development of creative industries' engagement in China particularly in the screen, music and computer games industries.

Implementing the China Plan

Raising awareness of Scotland in China

33. As an underlying principle of the China Plan we will work to raise awareness of Scotland in China in order to progress the specific objectives outlined above in addition to enhancing Scotland's reputation as a distinctive global identity, and independent minded and responsible nation at home and abroad and confident of its place in the world.
 - In line with the international brand strategy for Scotland we will develop a clear brand plan tailored to China to ensure that our key messages are appropriate for the market and that they reflect a clear offering and purpose that is both relevant to China and reflects the Scottish

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Government's aims. The purpose will be to ensure we have clear understanding of where we can best focus our promotional effort and ensure all our messages are relevant to each target audience.

- We will work across Government, agencies and stakeholders to ensure a consistent representation of the Scottish brand and coherent messaging. This will strengthen our voice in this very competitive and noisy market.
- We will make use of Scottish VIP visits to China to raise Scotland's profile.
- We will make maximum use of Scottish holidays and festivals to raise awareness of Scotland in China and to engage our Chinese audiences in key cities across China. We will engage key target audiences including school children and teachers, students, business communities, diaspora, alumni groups and media. This will build on the warmly received St Andrew's day events carried out in Beijing and Chongqing in 2007. We will make maximum use of new media including Scotland.cn to promote Scotland's holidays and festivals to a wider public.
- We recognise the importance of engaging diaspora networks (alumni, Globalscots, affinity groups) in developing Scotland's reputation and influence overseas leading to opportunities across all sectors. We will increase engagement with and offer benefit to diaspora target groups in China. These include Chinese alumni of Scottish education institutions, Globalscots resident in China and wider groups with an affiliation to Scotland (e.g. Caledonian/St Andrew's Society members).

The role of the Scottish Government and its agencies

34. The Scottish Government and its agencies will:

- identify opportunities;
- coordinate and work with stakeholder groups to agree priority sectors/areas and annual plans of Scottish Government/agency activity to achieve specific objectives;
- ensure actions are incorporated into the business plans of the relevant Government directorates and other public bodies;
- facilitate a co-ordinated approach across sectors;
- secure Government funding for priority proposals and plans;
- identify, develop and maintain key relationships in China in support of Scottish interests;
- manage a sustained programme of public diplomacy;
- manage/support activity as agreed with stakeholders;
- work with UK and EU departments to ensure Scotland makes the most of the opportunities that the UK and EU platforms in China offer, and that UK and EU departments are supporting Scotland's priority interests where possible;
- support the OECD in its increasing engagement in China, especially focused around rural development;

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- encourage actions in line with global efforts to tackle greenhouse gas emissions such as offsetting of travel emissions and the use of technologies in business that reduce the need to travel.

Working with departments, agencies and stakeholders

- We will align China activities across Scottish Government departments and agencies.
- We will encourage collaborative working with agencies, recognising that we can achieve far more through pooling of our strengths and effort.
- We will form sector groups that represent a cross section of stakeholders and Scottish Government departments, to develop plans for specific areas of activity and to secure resource for these plans.
- We will bring together stakeholders from across different sectors, and develop cross sector plans and initiatives, where it makes sense to do so.
- We will put in place a high level strategic stakeholder group which meets approximately on a six monthly basis to review China activities, to reassess the direction of the Scottish Government's activity and to facilitate cross-sector working.
- We will establish clear lines of communication with other Government departments, agencies and wider stakeholders to facilitate discussion of ideas and to communicate progress.
- We will work across a wide geographical area developing relationships and pursuing those opportunities that offer maximum benefit for Scottish stakeholders.

Scotland's representation in China

35. The Scottish Government currently has two members of staff working out of the Scottish Affairs Office in the British Embassy Beijing (First Secretary Scottish Affairs who reports into International Division in Edinburgh and a locally appointed Communications Officer). This team is supported by the China Team within International Division (one full time China Desk Officer and Assistant plus senior management support).
36. In addition, SDI has offices in Beijing (three members of staff), Shanghai (three members of staff) and Hong Kong (one member of staff). VisitScotland is represented via VisitBritain in China.

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37. We will review this representation to ensure that it is fit for purpose and consider the options for Scotland House type arrangements.

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Monitoring and evaluation

38. Annex 1 outlines the China objectives, targets, the source of measurement data and the frequency of monitoring and evaluation.

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• **Annex 1: Objectives and targets**

Targets	Baseline and results to date	Measure, source and date of measure	Government strategic target contributed to	Government strategic objective	International strategic objective
Objective 1: increase Chinese language learning and learning about China in Scottish schools					
Increase the number of students studying Chinese language in Scottish schools by 2011	Baseline year – 2006: no pupils 2007: 8 pupils	Source SQA, annually	Raise GDP growth Maintain labour market participation	Smarter Wealthier and Fairer	Creating the conditions for talented people to live, learn, work and remain in Scotland
Increase understanding and awareness of China, its language and culture in Scottish schools by 2011	Scottish Government survey work on perceptions amongst wider audiences – 2006 (baseline) School-specific baseline to be established	Source - Scottish Government/Ipso s MORI, bi-annually, on wider audience and school-specific perceptions Learning Teaching Scotland	Raise GDP growth Maintain labour market participation	Smarter Wealthier & Fairer	Creating the conditions for talented people to live, learn, work and remain in Scotland
Objective 2: Increase Sino-Scottish collaboration between our universities, build relationships with our colleges and their Chinese counterparts and develop shared life long learning opportunities					
Grow the number of Chinese students in	Baseline – academic year	Source - HESA/FESA,	Raise GDP growth	Smarter	Bringing a sharp economic growth

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Targets	Baseline and results to date	Measure, source and date of measure	Government strategic target contributed to	Government strategic objective	International strategic objective
Scotland and Scottish students in China over the period to 2011	2006-7: 4,870 Chinese students (excludes Macao and Hong Kong) studying in Scotland Baseline for Scottish students studying in China to be established	annually	Maintain labour market participation Match average European population growth	Wealthier & Fairer	focus to the promotion of Scotland abroad Creating the conditions for talented people to live, learn, work and remain in Scotland
Expand the awarding of Scottish qualifications in China.	Baseline year – 2005-6:1254 qualifications Result - 2006-7: Complete data not yet available	Source - HE/FE institutions and SQA, annually	Raise GDP growth	Smarter Wealthier & Fairer	Bringing a sharp economic growth focus to the promotion of Scotland abroad
Objective 3: Increase Sino-Scottish research and development projects and programmes					
Increase Sino-Scottish academic exchange and collaborative research in	Baseline 2001-2005 – 747 collaborative	Source – Government research	Raise GDP growth	Smarter Wealthier &	Bringing a sharp economic growth focus to the

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Targets	Baseline and results to date	Measure, source and date of measure	Government strategic target contributed to	Government strategic objective	International strategic objective
key sectors including energy and life sciences	<p>research projects</p> <p>Baseline 2001-2005 4.0% of Scotland's collaborative was with China</p> <p>Baseline 2001-2005 1.4% of China's collaborative research was with Scotland</p>	("EVIDENCE", 2006), biennially	<p>Maintain labour market participation</p> <p>Match average European population growth</p> <p>Rank in the top quartile for productivity amongst our key trading partners</p>	<p>Fairer</p> <p>Greener</p> <p>Healthier</p>	<p>promotion of Scotland abroad</p> <p>Creating the conditions for talented people to live, learn, work and remain in Scotland</p>
Objective 4: Attract increased tourism to Scotland					
Increase Scotland's share of the value of Chinese visitors to Scotland, as a proportion of the UK spend to 6%	Baseline – 2005 – 4.4%.	Source - International Passenger Survey, annually, three year average.	Raise GDP growth	Wealthier & Fairer	Bringing a sharp economic growth focus to the promotion of Scotland abroad

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Targets	Baseline and results to date	Measure, source and date of measure	Government strategic target contributed to	Government strategic objective	International strategic objective
Objective 5: Encourage greater internationalisation of Scottish companies in China					
Raise the share of Scotland's exports to China by 2011 in relation to the European OECD average.	Baseline year is 2006: Scotland's share of exports to China in 2006: 2.6% European OECD average share of exports to China: 2.4%	Monitored through the Global Connections Survey for Scottish data which will be compared to IMF data for European OECD exports.	Raise GDP growth Maintain labour market participation Match average European population growth	Wealthier & Fairer	Bringing a sharp economic growth focus to the promotion of Scotland abroad
Growth of Scottish companies through expansion of participation in China	SDI to establish baseline in 2008	Company growth evidence captured through Scottish Enterprise and Highlands and Islands Enterprise account management process	Rank in the top quartile for productivity amongst our key trading partners	Wealthier & Fairer	

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Targets	Baseline and results to date	Measure, source and date of measure	Government strategic target contributed to	Government strategic objective	International strategic objective
Objective 6: Expand connections between businesses in Scotland and China					
Increase business collaboration between Chinese and Scottish companies and institutions in key sectors such as life sciences, financial services, energy and electronics.	SDI to establish baselines in 2008	Number of opportunities being identified for collaboration between Chinese and Scottish companies. Number of deals being facilitated between Chinese and Scottish companies Investment by Chinese companies in Scotland	Raise GDP growth Maintain labour market participation Match average European population growth Rank in the top quartile for productivity amongst our key trading partners	Wealthier & Fairer Greener	Bringing a sharp economic growth focus to the promotion of Scotland abroad
Objective 7: Develop understanding of Scotland's national identity through raising awareness of Scottish culture in China					
Awareness of Scottish contemporary and traditional culture increased amongst specific target audiences by 2011.	Baseline not required	Evaluation of specific activity	Raise GDP growth rate	Smarter Wealthier & Fairer	Managing Scotland's reputation as a distinctive global identity, an independent minded and

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Targets	Baseline and results to date	Measure, source and date of measure	Government strategic target contributed to	Government strategic objective	International strategic objective
					responsible nation at home and abroad and confident of its place in the world.

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Annex 2:

Scottish Government Strategic Objectives:

- **Wealthier and Fairer** – enable businesses and people to increase their wealth and more people to share fairly in that wealth.
- **Smarter** – expand opportunities for Scots to succeed from nurture through to life long learning ensuring higher and more widely shared achievements.
- **Healthier** – Help people to sustain and improve their health, especially in disadvantaged communities, ensuring better, local and faster access to health care
- **Safer and Stronger** – Help local communities to flourish, becoming stronger, safer places to live, offering improved opportunities and a better quality of life.
- **Greener** – Improve Scotland's natural and built environment and the sustainable use and enjoyment of it.

Scottish Government Strategic Priorities:

- Learning, Skills and Well-being;
- Supportive Business Environment;
- Infrastructure Development and place;
- Effective Government; and
- Equity

Scottish Government Strategic targets:

By 2011:

- To raise the GDP growth rate to the UK level
- To reduce emissions over the period to 2011

In the longer term:

- To match the GDP growth rate of the small independent EU countries by 2017;
- To rank in the top quartile for productivity amongst our key trading partners in the OECD by 2017;
- To maintain our position on labour market participation as the top performing country in the UK and close the gap with the top 5 OECD economies by 2017;
- To match average European (EU15) population growth over the period from 2007 to 2017, supported by increased healthy life expectancy in Scotland over this period;

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- To increase overall income and the proportion of income earned by the three lowest income deciles as a group by 2017;
- To narrow the gap in participation between Scotland's best and worst performing regions by 2017;
- To reduce emissions by 80 per cent by 2050.

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