

## [National Assembly for Wales](#)

### [Enterprise and Business Committee](#)

#### [Inquiry into the Welsh Government's approach to the promotion of trade and inward investment](#)

#### Evidence from South Wales Chamber of Commerce and Mid Wales Chamber of Commerce – TII 04

I take the opportunity to express the views of both South Wales Chamber of Commerce and Mid Wales Chamber of Commerce on the questions posed by this enquiry. Views are drawn from:

- Various surveys and feedback sessions facilitated over last 18 months specifically.
- Debates and discussions at various Chamber International Panel sessions.
- Feedback at Seminars and Workshops hosted by Chamber.
- Interaction with other UK based Chambers and British Chamber of Commerce.

The underlying theme behind the answers to each of the questions suggests:

1. Welsh Government International Team has been under resourced and lacking certain experience and professional knowledge of key theme areas.
2. There is huge reluctance to embrace private sector connections and expertise. Clear feeling all activity should remain within Welsh Government Team.
3. Response to enquiries and issues is far too slow.
4. Approach is weighted down by bureaucracy.
5. No clear strategy mapped out with priorities set and adhered to.

Q1. What is scale of Welsh Government resource and funding that is targetted at the promotion of trade and inward investment. Is it sufficient? Does it represent value or money?

Answer

Whilst the Welsh Government International Trade Department has been constantly changing over the last 2 years it is only now there seems to be a core team of folks in situ. Understanding who does what is very difficult to identify and in turn explaining to Business owners the approach is impossible. Resource provided through Business Wales and Sector Teams serves to make picture more confusing and a joined up approach is desperately needed. Whilst we feel there is sufficient resource in place at this moment in time we do not see it as effective and efficient and there could be more delegation/distribution of certain activities to private sector providers who are in better position to run with ball. Certainly the Chamber of Commerce Brand is not being leveraged in Wales to anywhere near its capability and not on scale in key markets of the World or indeed in England where Chamber, UKTI and Enterprises Europe work very seamlessly from same offices.

Whilst we have no knowledge of budgets being applied it would appear current funding is not fully utilised and delivery through private sector contract would deliver simpler approach. Currently difficult to quote value for money but we do feel efficiency and effectiveness would be increased by private sector delivery. Whilst various recommendations have been submitted to help channel approach to world markets and collaborative approach these have not been taken forward by Welsh Government Team. Running Trade Missions with short lead in times and nominal numbers of delegates is not good value for money and a more structured approach is required with consistent alignment with key destinations and planned 5 year program with reciprocation through visits to Wales.

Despite many requests to clarify the approach to Inward Investment we remain very unclear who is taking lead and what is being done to relationship manage those Businesses with strong connections overseas and the 'rapid response to new enquiries'. Similarly Inbound Tourism needs to be viewed as part of the matrix but currently it falls under different departments.

Q2. How does Welsh Government monitor and evaluate the effectiveness of its trade and inward investment activities.

Answer.

We have been unable to identify any hard data that is released to support current activities. There is media involvement with certain showcase projects and announcements but we see no hard data on activities over last 2 years.

Through the International Trade Panel we have suggested the International Centre of Excellence approach to the Business Minister and associated Civil Servants which has not been progressed.

Q3. Does the Welsh Government's current in-house approach to encouraging trade and Inward Investment represent an improvement on organisations that previously existed to perform the same function?

Answer

We see no evidence of this. Indeed the reluctance of the Welsh Government Team to embrace private sector expertise in the International Field both inside Wales and beyond as a clear step backwards. Ultimately the number of Internationally active SME's in Wales is small at around 1,500 depending on which set of data you review and collectively as a nation we need to find ways to build this to a significantly higher number. Looking around the globe many countries have worked on models that see public sector and academia joined together through the Chamber network to maximise the simplicity of message to business owners and connect activities to maximise effectiveness and efficiency. Wales should be able to excel in this level of collaboration given its small size but we spend too much time duplicating effort.

We do feel Professional Advisors - Bankers and Accountants specifically have a much greater role to play in assisting with getting more Welsh SME's entering overseas markets as their planned growth strategy and using their networks to bring in Inward Investment. Our belief is that the private sector is far better placed to act as a catalyst in this respect than a private sector provider.

We have offered the services of South Wales Chamber of Commerce as the representative arm of China Britain Business Council from 1st January 2014 given Welsh Government decision to terminate secondees that was in post for last 3 years. We do not feel Wales should be deprived of this massively important connection for both Trade and Inward investment.

Happy to elaborate on any of the points made.

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