



CHARTERED  
INSTITUTE  
OF EXPORT &  
INTERNATIONAL  
TRADE

# **Invest 2035: The UK's Modern Industrial Strategy**

## **The Chartered Institute of Export & International Trade's response**

### **Introduction**

The Chartered Institute of Export & International Trade is delighted to be responding to the government's green paper consultation on its 'Modern Industrial Strategy: Invest 2035'.

The Chartered Institute's purpose is to empower organisations and equip individuals with the expertise to trade effectively, sustainably and competitively. Established in 1935, the Chartered Institute is trusted by governments, businesses and trade professionals around the world as the leading experts in international trade and the foremost association of exporters and importers.

We are committed to professionalising trade through education and training, while partnering with national and international partners to facilitate the acknowledged mutual benefits of free, frictionless and legitimate trade. The Chartered Institute is registered as a charity in the UK and operates globally.

In collaboration with our members, partners and our in-house experts within the Chartered Institute, we have drawn together responses to a selection of the most relevant questions to our community, within the Industrial Strategy consultation.

Although our response covers a lot of ground, mirroring the green paper consultation, there is one golden thread which runs throughout: inspiring export growth. All the evidence shows that businesses which trade internationally are more resilient, more sustainable, employ more people, are more innovative and are more profitable.

This is a fact that the Chartered Institute wholeheartedly subscribes to, and we believe that the policy reflections and proposals laid out below will further the growth of the UK's trading businesses, if the government will adopt them.



## Sectors and technologies

***Modern Industrial Strategy consultation (MIS):*** *What are the most important subsectors and technologies that the UK government should focus on and why?*

Our members identified advanced manufacturing and robotics, renewable energy and green technologies, and logistics and supply chain modernisation as three specific sub-sectors which they believed should be focused on within the Industrial Strategy. Our submission covers logistics and supply chain modernisation in some detail in subsequent questions.

At this juncture, however, it is apt to highlight some key points regarding emerging technologies in terms of how they relate to wider industry growth.

The UK government should focus on technologies which facilitate, simplify and enhance trade flows, as well as aiding and influencing the interoperability of these technologies with other countries.

The Chartered Institute chairs the E-Commerce Trade Commission (E-CTC), which was convened to encourage and support businesses to trade and export online. The E-Commerce Trade Commission seeks to address existing trade barriers, simplify pathways to trade and incentivise small businesses, in particular, to participate in international e-commerce.

The members of the E-CTC are: the Association of International Courier & Express Services (AICES), Alibaba, Amazon, eBay, the Federation of Small Businesses (FSB), Google, the Institute of Chartered Accountants in England and Wales (ICAEW) and Shopify. The Department for Business and Trade (DBT) also sits on the Commission in order to aid a smooth flow of feedback and ideas directly to policymakers.

In recent research by the Social Market Foundation,<sup>1</sup> commissioned by the E-CTC, small and medium-sized enterprises (SME) that export, or that are considering exporting ('considerers'), said that the technologies with the most significant positive impact to their business were digital payments (49%), e-commerce platforms (41%) and data analytics (40%).

However, when asked about the barriers to implementing technology to aid in international trade processes, both SME exporters and 'considerers'

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<sup>1</sup> [Small business, big world: Ways to boost UK small business exports - Social Market Foundation.](#)

cited investment as a barrier. Interoperability was also a key barrier in relation to whether or not other actors within the supply chain would also be using the cited technologies, particularly if those actors are relied upon to deliver products to market.

Of additional interest, 26% of goods-exporting SMEs surveyed had adopted artificial intelligence (AI) technology for exporting purposes. There are still regulatory and cost adoptions with AI, but the potential of this technology to accelerate and improve efficiency in key processes is significant. This is evident through already-existing e-commerce marketplace AI tools, such as Shopify Magic and Amazon Rufus.

**MIS:** *What are the key enablers and barriers to growth in these sub sectors and how could the UK government address them?*

The E-CTC's research showed that over half of 'considerer' goods-selling SMEs thought trade tech would make a difference to their decision to start exporting. Specifically, 'considerers' expect that e-commerce platforms (77%), digital payment systems (73%) and 5G (70%) are the kinds of trade tech most likely to make a positive difference to their plans to start exporting in the next two years.

Around half (49%) of existing exporters said that they expected digital payments to make a "significant positive difference" to exporting over the next five years.

However, cost and understanding how best to utilise the tech, as well as adoption of trade tech among the agents an SME deals with, were cited as key barriers.

Additionally, it is clear that SMEs' digital literacy is another area of challenge in terms of utilising new technologies and data effectively. By intentionally supporting SMEs to building data literacy (alongside analytical capabilities), the government can also enhance their ability to adopt best practices and innovate.



## **Business environment**

***MIS:** What are the most significant barriers to investment? Do they vary across the growth-driving sectors? What evidence can you share to illustrate this?*

There are a number of key barriers to investment which our members have raised. These include limited access to skilled labour or workforce talent, high regulatory compliance costs and requirements, and the unpredictable political environment. One member in the defence sector specifically raised the flexibility of banks as an issue, saying:

*“I would say the biggest issue we face is from banks. We need them to support small defence companies.”*

We have also had partners from other countries give us examples of companies being unable to set up, or remain, in the UK because of needing to bring over specifically skilled workers. However, the process can take so long that they would be losing bids in the meantime. This kind of issue eventually dissuades would-be investors from choosing the UK as a base for their factories, plants or other possible premises.

### **Business environment – people and skills**

***MIS:** Where you identified barriers in response to Question 7 which relate to people and skills (including issues such as delivery of employment support, careers, and skills provision), what UK government policy solutions could best address these?*

#### **Apprenticeships**

We are currently facing a serious skills shortage in the UK. There is an acute shortage of skilled workers with a background in science, technology, engineering and maths (STEM) education, as well as deficiencies in simple IT skills and broader specific shortages of skills in global trade management.

The delivery of high-quality apprenticeships in growth-driving sectors is one key policy solution to this issue. The government's move to take steps to transform the Apprenticeship Levy into a more flexible Growth and Skills Levy, accompanied by £40m in additional funding, is welcome, particularly given industry feedback on serious issues accessing and benefiting from the former Apprenticeship Levy model.



More broadly, there is scope for a more focused approach to apprenticeship delivery which would allow for skill gaps to be more readily addressed, as well as providing genuine career pathways which would not only boost retention rates, but provide a more attractive proposition for people wishing to enter sectors of interest.

The proposed shortening of some entry-level apprenticeships to 6 months is a positive step but there is still a minimum 18-month expectation for new standards to be introduced. As a result of this, skill gaps are often overlooked, or considered as being too time-consuming and costly to address. This timescale challenge is one which should be considered in more detail.

Another specific solution which we would suggest to government is for it to partner with training organisations to develop a system whereby regional training clusters could manage the administrative and tutoring aspects of apprenticeships for SMEs that wish to benefit from them. By doing this, SMEs not ordinarily able to commit to training an apprentice would be able to do so through the cluster's support.

### **Business environment – data use**

***MIS:** How can the UK government best use data to support the delivery of the Industrial Strategy?*

The UK government should utilise data to enhance trade procedures, improve efficiency and establish a globally competitive business environment in support of the Industrial Strategy. Data is crucial to businesses' supply chain operations, and effective utilisation of data can generate a significant impact on the efficiency of cross-border and customs processes, and import or export management.

The government could unleash substantial benefits by facilitating high-quality, real-time data exchanges across supply chains, customs authorities and in the logistics sector. These include:

- 1. Enhancing supply chain visibility and agility*

Real-time data integration could improve businesses' visibility of their entire supply chains. This visibility results in reduced delays, enhanced risk management and improved responsiveness to disruptions.

Companies in sectors dependent on just-in-time delivery, such as manufacturing and medicines, may utilise this data to anticipate future supply chain vulnerabilities, overcome bottlenecks and make real-time adjustments, thus boosting their efficiency and earning potential. The government should make efforts to promote and educate traders on data and technology utilisation.

## *2. Building trust in the supply chain through disruptive technology*

Supply chains and cross-border trade relies on trust. Actors within the chain need to trust that partners will fulfil their roles and responsibilities in a compliant, complete and timely manner. Government agencies need to ensure goods are crossing the border in a compliant and safe way. Businesses need to trust that border checks and processes don't interfere with the smooth and legitimate movement of their goods unnecessarily.

Trusted trader programmes can use supply chain and cross-border trade data to facilitate the smoother, more reliable and more efficient movement of goods, while giving governments confidence that border rules and protocols are being complied with.

Already-available trade technologies should be adopted by government and industry to facilitate instantaneous, secure data exchange, increasing transparency and encouraging conformity with regulations. This trust-building strategy facilitates streamlined trade flows and improves the UK's attractiveness as a reliable partner in global trade.

The Cabinet Office-led Border Trade Demonstrators (BTDs) initiative is a prime example of this approach. The project includes ongoing trials of technologies, such as the Trade Worldwide Information Network (TWIN) programme, to test ways of improving supply chain visibility and ways to implement trusted trader models.

Beginning with the freight forwarding community and expanding to the broader supply chain, the BTDs are investigating innovative methods for the exchange of documents and data through integrated systems, including data hubs, port inventory systems and port health applications. Such initiatives are establishing a foundation for a more transparent, efficient and connected supply chain ecosystem by building an open framework for collaboration between industry and government.



### *3. Fostering compliance through data interoperability*

Interoperable data standards are essential for streamlining customs and compliance procedures. Standardising data formats among government agencies and businesses will facilitate import and export documentation, enable digitalisation and streamline compliance assurance, consequently decreasing processing times and error rates.

This will reduce the administrative load on UK-based organisations, particularly SMEs, while encouraging more businesses to start trading and allowing well-established companies to enhance their international competitiveness.

### *4. Data driven insights for trade facilitation and policy development*

Government bodies can develop more intelligent, data-driven policies by identifying regulatory inefficiencies and obstacles by analysing combined customs and trade data. For example, data patterns in customs declarations may enable more responsive policy adjustments to facilitate smoother trade flows by revealing delays in specific locations or times of year.

The Industrial Strategy should encourage the use of dynamic data analysis to ensure the UK remains adaptive in the face of global trade changes. It should be used to identify and remove obstacles to trade digitalisation and identify potential opportunities for improvement with and within free trade agreements (FTAs), digital trade agreements and other bilateral contracts.

## **Business environment – data access**

**MIS:** *What challenges or barriers to sharing or accessing data could the UK government remove to help improve business operations and decision making?*

In order to enhance business operations and decision-making, the UK government might address a number of essential challenges to data sharing and access, including the following:

- 1. Enhancing and centralising data through standards and the UK single trade window (STW)*

Consistent data standards are essential for effective data sharing and integration in the business environment, as previously emphasised.

Presently, inconsistent standards among trade and customs platforms impact data management, limiting companies' capacity to gather useful information. A centralised platform, such as a single window portal, could be essential in addressing this issue.

The rollout of the UK STW has been put on hold in 2025 and 2026, with the government saying it "is considering its future plans for the border and how best to meet the needs of its users". Nevertheless, its implementation is crucial for the facilitation of data flows within the supply chain, as well as to remove the need for multiple data entry and other administrative burdens.

A centralised STW, with standardised data protocols, would facilitate compliance, decrease paperwork and enable digitalisation of trade, while also improving data accuracy by allowing businesses to access and exchange data via a single portal. This approach lowers compliance costs and enables companies to make quicker, more informed decisions by providing a trustworthy, single access point for all trade-related data requirements.

## *2. Simplifying regulatory compliance with support for businesses*

Managing data compliance requirements can be particularly complex and burdensome for many businesses, particularly SMEs. We acknowledge that the government has undertaken initiatives to streamline data input requirements, especially through enhancements to systems such as the Customs Declaration Service (CDS) and the reduction of data set needed for Safety and Security (S&S) declarations. To maintain this progress, ongoing dialogue with the trade community and supply chain stakeholders is crucial to guarantee that these initiatives stay effective and attuned to business needs.

To reduce compliance concerns, the government could potentially support businesses further by providing clearer, accessible guidance on regulatory standards, easily accessible on platforms such as GOV.UK. This would include comprehensive use cases of data sets for CDS, aiding companies in understanding specific compliance needs with more ease, especially on more complex declarations or specific customs matters.





In addition, offering financial aid or funding possibilities to facilitate employee training in customs declarations and general customs regulations could improve professional knowledge inside organisations. These efforts would enable businesses to manage compliance effectively, minimising the risk of errors while fostering a more informed environment and resourceful staff.

The streamlining of these procedures could allow firms to focus on the growth and development of their international operations while effectively managing their compliance duties.

### *3. Promoting innovation and investment in the data-driven trade environment*

Innovation and growth within data-driven sectors, particularly in trade-related and other relevant technologies, can be encouraged by the broadening of access to public sector data. The government can assist all businesses – including startups, SMEs, and larger companies – in the development of new products, the exploration of niche markets and the attraction of investment by providing them with easy access to comprehensive trade and economic data.

Access to this information enables smaller firms to make strategic, informed decisions and compete more effectively in both domestic and international markets. In addition to its direct business applications, the improvement of public data accessibility also creates opportunities for research and development (R&D), particularly in collaboration with academic and research institutions.

The government can promote long-term improvements in trade efficiency and security by supporting research initiatives that focus on disruptive technologies such as digital trade platforms, AI-powered trade analytics and blockchain for supply chain transparency. These advancements could be accelerated by collaborating with academic institutions on trade data research and providing grants or funding for technology-focused R&D, consequently positioning the UK as a leader in innovative trade solutions.

We also asked our members to comment on what government actions could alleviate data issues for their industries in order to improve business operations. There were a range of suggestions including:

- *“Simplify/reduce administration and export documentation.”*



- *“Look towards ISO standards rather than a national or European model. Data protections should be a global issue, not continental or national, as risks are fraught at the top level and filter down.”*
- *“Common standards with our key markets – will help make UK more attractive if there is strategic level alignment (i.e. nationally).”*
- *“Create a ‘document production’ platform for exporting where one single input of data can populate invoices, export declarations, Certificates of Origin.”*
- *“Leave the interoperability and platform/industry specific applications to private industry but ensure that the foundation infrastructure is in place and reliable i.e. high-speed broad band (gigabit) and reliable, high coverage 5G (and beyond) mobile data.”*

### **Business environment - infrastructure**

**MIS:** *How can investment into infrastructure support the Industrial Strategy? What can the UK government do to better support this and facilitate co-investment? How does this differ across infrastructure classes?*

Infrastructure was a topic raised by several of our members whilst considering the Industrial Strategy.

One noted that there was a need for:

*“Better and cheaper public transport.”*

Likewise, another commented on infrastructure needs in both its baseline and broader applications:

*“Infrastructure: A well-established transport network (roads, rail, airports) and advanced digital infrastructure facilitate trade and connectivity.”*

One important point raised was around lower freight charges and this is not unlinked to previous points in relation to transport and airports specifically.



Our research into services export potential (SEP), conducted with Flint Global<sup>2</sup> in 2023, broadly found that regions with good access to airports have better connectivity overall and performed more strongly in terms of their SEP than those that didn't. It is true, however, that not all airports are equally beneficial to exporters in that some only offer limited and/or infrequent commercial flights, and some are also more expensive to fly to from others.

It is important, therefore, that we not only have a competitive number of relevant services flying from UK airports, but also that there is enough airport capacity in terms of slots. One of the Chartered Institute's partners on the E-CTC, the Association for International Couriers and Express Services, recently published research<sup>3</sup> which demonstrated the critical speed of parcel delivery for UK businesses to compete in international markets. From the report, it is clear that air cargo connectivity needs to be prioritised in order to ensure the smooth flow of goods, so that the UK can compete internationally.

### **Business environment – trade and international partnerships**

***MIS:** How can international partnerships (government-to-government or government-to-business) support the Industrial Strategy?*

International partnerships are crucial for the effective implementation of the Industrial Strategy and, more broadly, these partnerships are crucial for economic growth.

Economic growth cannot be achieved in isolation. This is particularly the case given the turbulent geopolitical scene that has dominated the trade landscape in the last few years.

With a new government in the UK, after a politically turbulent few years domestically, and at a time when the UK economy faces renewed pressures, the importance of fostering reliable trade systems and trusted partnerships cannot be overstated.

This can be done in the following ways:

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<sup>2</sup> [IOE&IT\\_GlobalHorizons\\_Final\\_.pdf](#)

<sup>3</sup> [New report demonstrates how critical speed of parcels delivery is for UK businesses to compete in international markets - Aices.org](#)

## *1. Government-government partnerships*

Government-government partnerships are proving particularly crucial for ensuring that our exporters are able to take advantage of the right kinds of trade opportunities, whether that be through specific trade agreements or through additional modes of trade facilitation.

We also need to rebuild our relationships with global trading partners of various stripes. The UK's role in this shifting landscape requires careful recalibration in today's geopolitical landscape, particularly with this year's bumper crop of elections having the potential to change the global trade landscape significantly.

Particularly significant is the UK's relationship with the European Union. As the EU-UK Trade and Cooperation Agreement (TCA) review period approaches, the UK has a unique opportunity to reassess and realign its trade relations with the bloc. This is particularly significant given the complexities SMEs face in exporting to EU countries. For example, we have consistently found in the process of gathering evidence for the E-CTC that difficulties with the complexities of cross-border trade with EU countries consistently discourage SMEs from exporting.

The range of issues – from VAT registrations to managing returns – are extensive. In order to reduce some of these frictions, listening to businesses and addressing barriers to trade will be critical in this process. The Chartered Institute, with its deep connections to businesses, is well-positioned to provide insights into the impact of the TCA and suggestions on improvements which can be made.

In recent years, our members have benefitted from various FTAs, with the majority of members polled saying that these deals have reduced barriers in their sector.

The UK's journey to joining the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) is a testament to the importance of establishing trusted trade partnerships with rapidly emerging global economies. The agreement not only opens new markets but also emphasises inclusive trade practices. Provisions within CPTPP aim to simplify trade processes for SMEs, ensuring that smaller businesses and disadvantaged communities are not left behind. For the UK, building trust in trade within this framework means leveraging these opportunities to

create equitable benefits for all, reinforcing the need for fairness and mutual growth in trade partnerships.

Some of our members believe that there has only been a 'slight' positive impact from the implementation of recent FTAs, although others have experienced more substantial positive impacts. This perhaps suggests that the full benefits of some of the deals which have been negotiated are yet to be felt. Time will therefore tell how significant the benefits are to the business community from free trade agreements, but the early signs are positive.

## *2. Government-business partnerships*

In the coming years government and business will need to address areas such as digital trade facilitation, achieving net zero, encouraging business uptake of the measures within the Electronic Trade Documents Act and many other issues. It is clear that government and businesses will need to work closely together to develop effective, equitable and economical solutions to some of the business and trade challenges we currently face in the UK.

An example of how a government can work fluidly with a private sector body is evident in the case of Business Sweden – a joint initiative by the Swedish government and the Swedish business sector, with a joint mandate to support international businesses in gaining access to the Swedish market. The initiative has two owners – the Swedish government and the private business sector in Sweden. The government is represented by the Ministry for Foreign Affairs and the business sector by the Swedish Foreign Trade Association.

Once a year, the Swedish government confirms the scope of Business Sweden's assignment and how it should be reported. These assignments include: a basic export service, small business programme, targeted export promotion, investment promotion and additional assignments.

Business Sweden is financed by an annual government grant for export and investment activities and by income from consulting fees from Swedish companies. Business Sweden particularly supports Swedish businesses to expand into new markets. The businesses they support range from SMEs to multinational enterprises. The outfit is expansive, with



44 offices across Europe, Americas, Middle East and Africa and the Asia Pacific.

They also have a close association with 'Team Sweden', which is a network of public organisations, agencies and companies which promote Swedish exports and investments in Sweden. This was set up in response to Swedish businesses expressing a need for clarification of support available during the internationalisation process.

Business Sweden also runs a specific 'SME programme', which helps businesses to engage in activity such as analysing their next markets, finding international customers and partners, and tailoring their export plans. Data from 2023 shows that companies which have participated in the programme have, on average, a 27% higher turnover after three years compared to a similar group which did not receive support. Similarly, they have a 31% increase in export revenue and a 6% increased number of employees after three years in the programme, compared to a control group.

Crucially, the probability that non-exporters start exporting increases by 18% and there is a 9% increased business survival rate.

***MIS: Which international markets do you see as the greatest opportunity for the growth-driving sectors and how does it differ by sector?***

North America, Europe and the Asia Pacific are areas which our members and partners consistently highlight as the key international regions where there are the greatest opportunities for their businesses. This will be of no surprise to anyone reading this submission.

However, we'd also like to highlight international markets that have been identified in the E-Commerce Trade Commission's research as potential growth opportunities for UK firms. Emerging markets, such as China, India and South Africa, were identified as a source of future export growth for SMEs.

For businesses that are already exporting to developed economies but are now considering selling to emerging markets, interest in such places was driven by the prospect of untapped customers for the kinds of products they sell (25%) and evidence of existing demand for the products they offer, which they believe they can win a share of (25%).

Barriers to trade in these markets included external obstacles such as customs, demand conditions, regulatory complexity and risks associated with the transportation of products to customers, as well as payment reliability, and the existence and strength of relationships with in-country partners.

However, the research did reveal some of the strategies which SMEs exporting to low and middle-income countries have adopted, in order to address some of the high barriers to selling into such markets. In our focus group with firms already exporting to emerging markets, participants described how, for example, they utilised cross-border networks to build relationships with partners and agents in target countries, which, in-turn, helped them to navigate many of the extra challenges of exporting to that country.

We also found trade tech was playing a central role for some SMEs. For example, focus group participants widely reported that they used e-commerce platforms to build cross-border connections with in-country representatives, which then helped them access customers in developing economies.

The scale of the opportunity associated with emerging markets for SMEs will be largely determined by how much the challenges facing SMEs, such as the cost of exporting to developing economies, can be alleviated. There is a clear role for policy to help ease the trade environment with low and middle-income countries, alongside the pursuit of broader efforts to encourage the use of trade tech and boost general SME competitiveness

The Industrial Strategy should therefore include a plan for seizing the opportunities presented by the growth in emerging markets.

### **Place**

*MIS: What public and private sector interventions are needed to make strategic industrial sites 'investment-ready'? How should we determine which sites across the UK are most critical for unlocking this investment?*

There are a variety of factors to take into consideration when deciding which locations of industrial sites across the UK could be supported to become 'investment-ready'.



Firstly, it is vital to consider areas which need a growth boost, according to data. For example, in the regional SEP report by the Chartered Institute and Flint Global<sup>4</sup>, it was found that Cumbria, Lincolnshire, Cornwall and the Scilly Isles were the lowest performing regions in terms of total UK services exports. Furthermore, other regions were underperforming against their potential, including South Yorkshire, Merseyside and Devon.

Secondly, it is perhaps also wise to consider which areas could most speedily accelerate in terms of unlocking investment growth, looking at factors such as placement of universities, connectivity of the region, infrastructure and skills capabilities, among other factors.

**MIS:** *How should the Industrial Strategy accelerate growth in city regions and clusters of growth sectors across the UK through Local Growth Plans and other policy mechanisms?*

Accelerating growth in city regions is best accomplished through increasing the trade potential of those regions. We see this through examples such as Greater Manchester, which is active in implementing its comprehensive trade strategy.

We asked our members about what specific regional support would be of benefit and the answers included:

*“Direct support ‘on the ground’ for needs of each UK region for their specific capabilities.”*

*“Improving infrastructure through a well-established transport network (roads, rail airports).”*

*“Investment in skills, with programmes aimed at developing skills in digital, engineering and other fields.”*

*“Boosting the contribution of universities, particularly in the area of research and development.”*

*“Initiatives to support ‘clusters’ of excellence.”*

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<sup>4</sup> [IOE&IT GlobalHorizons\\_Final\\_.pdf](#)



The Industrial Strategy should complement and focus on existing regional heritage advantages for tourists, and at the same time link to manufacturing and technology sub-sector opportunities.

The Industrial Strategy should also recognise that trade involves importing as well as exporting, and that supply chain resilience is increasingly important to many businesses. The strategy should promote the appropriate drive to 'onshoring' or 'nearshoring' as relevant strategies for increasing supply chain resilience.

The UK has world-leading higher education establishments across all its nations and regions. These should be closely aligned with all city growth plans and all regional focuses, strengthening the concept of regional clusters working together to drive economic growth

The government has committed to establishing 13 investment zones across the UK, with eight regions in England identified to co-develop investment zone proposals with government, and two areas each in both Scotland and Wales, as well as an enhanced investment zone in Northern Ireland. It is welcome to see that the prime minister has very recently said that the £160m North East Wales investment zone will go live next year (2025), covering Flintshire and Wrexham.

The Industrial Strategy should reflect the strong work already undertaken in both investment zones and freeports and build on investments already secured for greater growth and success. It is possible that there are areas in which these models can be tweaked to work even more efficiently and the Chartered Institute stands ready to partner with government in advising on any potential changes.

**MIS:** *How should the Industrial Strategy align with devolved government economic strategies and support the sectoral strengths of Scotland, Wales, and Northern Ireland?*

There should be a remarkably close alignment between the Industrial Strategy and the existing development plans of the devolved governments of Scotland, Wales and Northern Ireland. This should involve full consultations and discussions with the devolved governments.

The Industrial Strategy should reflect existing strengths and sector developments currently underway in the devolved nations and should mirror the alignment proposed with the regions and cities within England.

Increasing trade potential, whilst linking to sectoral strengths and focussing on existing key markets, should be a key theme of the Industrial Strategy. This includes ensuring that trade negotiations adequately consult members of devolved governments at all appropriate stages of discussions.

In addition to the devolved government linkages, the Industrial Strategy could also look to reflect the model used in Scotland and Northern Ireland where trade and investment support to local businesses is delivered through Scottish Enterprise and Invest Northern Ireland, respectively. Welsh Government delivers this directly in Wales.

As already noted above, the Industrial Strategy should build on the investments already made in freeports and investment zones in Scotland, Wales and Northern Ireland.

More broadly, we asked our members to comment on what regional support would benefit the exporting community in their sector.

One recommended:

*“More devolved budget to regions that is ring-fenced for economic development programmes with KPIs that reflect growth and export growth.”*

Another advocated:

*“Develop youth skills in manufacturing and engineering.”*

Some were equally specific:

*“Any initiatives intended to support “clusters” of excellence. Nuclear technology in our case, for instance.”*

### **Partnerships and institutions**

*MIS: How should the Industrial Strategy Council interact with key non-government institutions and organisations?*

It would be welcome for the Industrial Strategy Council to engage with as many relevant non-government institutions and organisations as possible, whether through the time-limited sector specific taskforces or through targeted consultations, events and online sessions. The Industrial Strategy will impact so many sectors, for a prolonged period of time, making it only



reasonable that as many actors as possible should be involved in the process of forming it effectively.

*MIS: How can we improve the interface between the Industrial Strategy Council and government, business, local leaders and trade unions?*

The interface can be improved by providing more direct ownership to those on the Council to set up secretariat-type functions for handling incoming inquiries by sector. It could also be beneficial to set up online surveys which could be led on by the Council, in order to gather meaningful data from those eager to engage in the Strategy formation process.

### **Additional information**

*MIS: Is there any additional information you would like to provide?*

We asked our members to comment on what one action they would prioritise within the Industrial Strategy. There were a range of answers, from improving relations with the EU to supply chain communication clarity and reducing overall trade bureaucracy. Some also felt that consideration needs to be given to solutions for scenarios where cheap goods are coming into the UK and making it harder for domestic companies to compete.