

# Selling Wales to the World

September 2018



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# **Selling Wales to the World**

September 2018



# About the Committee

The Committee was established on 28 June 2016 to examine legislation and hold the Welsh Government to account by scrutinising expenditure, administration and policy matters, encompassing (but not restricted to): economic development; transport; infrastructure; employment; skills; and research and development, including technology and science.

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## Committee Chair:



**Russell George AM**  
Welsh Conservatives  
Montgomeryshire

## Current Committee membership:



**Mohammad Asghar AM**  
Welsh Conservatives  
South Wales East



**Hefin David AM**  
Welsh Labour  
Caerphilly



**Vikki Howells AM**  
Welsh Labour  
Cynon Valley



**Adam Price AM**  
Plaid Cymru  
Carmarthen East and Dinefwr



**David J Rowlands AM**  
UKIP Wales  
South Wales East



**Lee Waters AM**  
Welsh Labour  
Llanelli



**Joyce Watson AM**  
Welsh Labour  
Mid and West Wales

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The following Members were also members of the Committee during this inquiry:



**Hannah Blythyn AM**  
Welsh Labour  
Delyn



**Jeremy Miles AM**  
Welsh Labour  
Neath



**Mark Isherwood AM**  
Welsh Conservatives  
North Wales

# Contents

<b>Chair’s foreword .....</b>	<b>5</b>
<b>Recommendations .....</b>	<b>6</b>
<b>Conclusions .....</b>	<b>8</b>
<b>1. Background to the Inquiry.....</b>	<b>11</b>
<b>2. Overview .....</b>	<b>13</b>
<b>3. Trade and Inward Investment.....</b>	<b>15</b>
Export .....	16
Overseas offices .....	17
Inward investment .....	20
Development.....	21
<b>4. Tourism .....</b>	<b>23</b>
Branding.....	24
Digital presence .....	26
Events .....	28
Public transport .....	30
Skills .....	31
<b>5. Education .....</b>	<b>34</b>
Alumni .....	34
The Further and Higher Education offer.....	35
Links .....	37
<b>6. Team Wales.....</b>	<b>39</b>
<b>Annex: Witnesses.....</b>	<b>41</b>



## Chair's foreword

Wales is a small nation in a big world. But now, more than ever, we need to be reaching out and developing the links that will help us prosper and grow.

With Brexit approaching, it has been widely acknowledged that there will be challenges and opportunities ahead, both as we renegotiate our relationship with our neighbours in Europe and as we look beyond those borders to seek new affiliations with emerging or expanding markets. Following the Brexit referendum, the First Minister, in an article in the Times newspaper, announced that he had “made it an immediate priority for the Welsh Government to get out and sell Wales to the world like never before”.

In light of that remark, the Committee decided to launch an inquiry to explore how we have been selling Wales to the world to date. The inquiry focused on three areas: trade, tourism and skills/training. We sought to measure success to date, and identify areas for improvement. The recommendations contained in this report address the issues we found.

It is clear to the Committee that more can be done to sell Wales to the world in a strategic and joined up way. There are pockets of good practice that must be better aligned across portfolios – and accessible to more businesses – if we are to meet our potential in this area.

Overseas offices should have their roles and remits made clear and, crucially, the next First Minister should seriously consider creating a specific cabinet post to combine responsibilities for international trade and Brexit implementation. The time to get this right is now.

The Committee would like to thank everyone who has given their time and expertise to this inquiry.

A handwritten signature in black ink that reads "Russell George". The signature is written in a cursive style with a long horizontal flourish underneath.

Russell George AM, Chair, Economy, Infrastructure and Skills Committee

## Recommendations

**Recommendation 1.** The Welsh Government should give serious consideration to creating a specific cabinet post to combine responsibilities for international trade and Brexit implementation, in order to provide further focus to this key area and regular and structured opportunities for scrutiny.....Page 15

**Recommendation 2.** The Welsh government should develop an export growth strategy to prepare companies for international markets and increase the number of companies exporting.....Page 17

**Recommendation 3.** Welsh Government should be more proactive in using the existing network of Foreign and Commonwealth and Department for International Trade offices and connections across the world. ....Page 19

**Recommendation 4.** The Cabinet Secretary should publish a detailed remit for the overseas offices, and report to the Assembly annually on the delivery against the business plan for each office . ....Page 19

**Recommendation 5.** The remit of the overseas offices should be communicated to businesses and stakeholders to enable dialogue between them, and maximise use of the offices. Further overseas offices should be focused on markets with high potential.....Page 19

**Recommendation 6.** The Welsh Government should consider how to enable a wider range of businesses in Wales to access the branding, while retaining control of standards. .... Page 26

**Recommendation 7.** The Welsh Government should continue to lobby for better representation as part of the VisitBritain digital presence, including the number of bookable products..... Page 28

**Recommendation 8.** The Welsh Government should consider whether VisitWales could offer bookable products. .... Page 28

**Recommendation 9.** The Welsh Government should raise awareness of the support available to small and micro businesses and third sector providers to collaborate and develop bookable tourism packages in their area..... Page 28

**Recommendation 10.** Transport for Wales should consider how best to raise awareness of the Explore Wales Rail Pass as part of the new rail franchise arrangements.....Page 31

**Recommendation 11.** The Welsh Government should continue to lobby the UK Government on the devolution of Air Passenger Duty to Wales. .... Page 31

**Recommendation 12.** The Welsh Government should review its plans to support the industry with workforce development in tourism, in the context of Brexit. .... Page 33

**Recommendation 13.** The Welsh Government should commit to working with Universities and colleges to ensure that academic and professional qualifications awarded in Wales remain portable. .... Page 36

**Recommendation 14.** The Welsh Government should support people wishing to live, work or study abroad. If Wales can no longer benefit from Erasmus+ or Horizon Europe (the successor programme to Horizon 2020), then alternative programmes within and outside the EU should be considered. .... Page 38

## Conclusions

**Conclusion 1.** Given the uncertainties surrounding Brexit, a clear line of accountability is more important than ever.....Page 15

**Conclusion 2.** The Committee recognises the benefits and logic of International sitting across multiple portfolios. However, in the current context, it also recognises the danger that shared responsibilities can sometimes fall between two stools.....Page 15

**Conclusion 3.** The wide remit of the overseas offices does not reflect their level of resourcing. Further clarity on the purpose of the offices and their measurable criteria for success would be useful.....Page 19

**Conclusion 4.** The Committee welcomes the new focus on the quality of inward investment which strengthens indigenous businesses and sectors, but in the context of uncertainty around Brexit, perceptions of a lack of resource for overseas offices and the difficulty experienced in engaging with businesses here in Wales, the Committee has concerns about the Welsh Government’s ability to deliver.  
..... Page 20

**Conclusion 5.** The Committee’s Recommendation 4 should strengthen focus and scrutiny which would help give assurance that the new focus on inward investment is being delivered.....Page 21

**Conclusion 6.** The Committee recognises the need to provide support to small and microbusiness to help them develop, collaborate and innovate within their limited resources.....Page 22

**Conclusion 7.** Wales has a strong brand but despite the Welsh Government’s intentions, many of the businesses in Wales feel excluded from it.....Page 25

**Conclusion 8.** The Committee welcomes increased visitor numbers and the positive digital engagement work Visit Wales has carried out. However, although there has been some improvement on the VisitBritain site, there is room for more improvement, especially in the number of bookable products that are available, which are vital in attracting overseas visitors. .... Page 28

**Conclusion 9.** The current restraints that prevent bookable products being included on the VisitWales.com website could change after the UK leaves the EU.  
..... Page 28

**Conclusion 10.** Wales.com could be used by Welsh Government as a tool to reach out to small and micro businesses that wish to support brand Wales. .... Page 28

**Conclusion 11.** Recognising the importance of packages and bookable products, the Welsh Government should provide support and encouragement to small and microbusinesses to collaborate and develop packages in their area..... Page 28

**Conclusion 12.** Wales is performing well in bringing in large international events, and the Welsh Government gave examples of support for home-grown events. More could be done to involve stakeholders in capitalising on events and creating legacy, but implementing the recommendations relating to engagement and cross sector working elsewhere in this report will have impact on this area.  
..... Page 30

**Conclusion 13.** Enhanced promotion of the Explore Wales rail pass could encourage overseas tourists, to stay in Wales a little longer before moving on.  
..... Page 31

**Conclusion 14.** The Committee notes the concern relating to skills shortages, particularly in the context of Brexit. It welcomes the anticipated apprenticeships in tourism but is unsure how they alone will tackle the skills shortage highlighted as part of this inquiry. The Committee will keep this issue under review as part of its wider scrutiny agenda.....Page 33

**Conclusion 15.** Given the anticipated impact of Brexit, the Committee is not clear on the steps that are being taken in the short term to support its potential effects on the tourism industry.....Page 33

**Conclusion 16.** The Committee recognises the benefit of engaging with alumni and highlighting the successes overseas of people who have spent time in Wales.  
.....Page 35

**Conclusion 17.** The portability of qualifications is key, and something the Minister for Welsh Languages and Skills has spoken to the Committee recently about, as part of a separate inquiry into the Apprenticeship Levy. The Committee considers it wise to continue to adhere to the European Qualifications Framework which is used as the benchmark across Europe and beyond..... Page 36

**Conclusion 18.** The Committee has previously expressed its support for vocational courses to have parity of esteem with university courses. Given the opportunity to reach out to emerging economies to provide such courses, the economic advantages of doing so should be explored..... Page 36

**Conclusion 19.** The Committee has heard throughout the inquiry that inclusion and engagement is key to maximising the impact and benefits of selling Wales to the world. This is as true for communication between the Welsh Government and its stakeholders in Wales as it is for Colleges, Universities and students to be connected globally. .... Page 38

**Conclusion 20.** The Committee agrees that Wales needs to be connected and coherent in its strategies and approaches if we are to raise our profile globally. .... Page 40

**Conclusion 21.** Across the three sectors this inquiry focused on, we found good examples of work being carried out by the Welsh Government and its stakeholders. But we also found that the Government and stakeholders could and should be better connected. Partnership working is at the heart of the Welsh Government’s strategies and its stakeholders are calling for further engagement. While the intent is there, the delivery could be improved. .... Page 40

**Conclusion 22.** Evidence suggested that a new overarching strategy was needed. Now that the Economic Action Plan has been published, the Committee will monitor and report on its implementation and impact. .... Page 40

# 1. Background to the Inquiry

**1.** Both the First Minister and the Cabinet Secretary for Economy and Transport have spoken, in the context of Brexit, of the need to sell Wales “like never before”. In July 2017, the Committee agreed to undertake a piece of work to consider how that might be achieved. The Committee considered:

- how Wales sells itself to the world at present;
- the role of the Welsh Government’s overseas offices; and
- lessons the Welsh Government can learn from similarly sized (non-EU) countries.

**2.** The Committee inquiry focused on three key sectors:

- tourism;
- trade and inward investment; and
- education.

**3.** A public consultation was carried out over the summer of 2017, which received 17 responses. The Committee then took oral evidence at its meetings throughout September and October. Details of these sessions can be found on the Committee’s webpages.

**4.** On 5 October 2017, the Committee held a series of meetings in Brussels with representatives from:

- The British Embassy
- Welsh Higher Education
- Welsh Government (trade)
- The Canadian Embassy
- The Swiss Embassy
- Enterprise Ireland
- Scotland Europa
- New Zealand’s Mission to the EU and NATO

**5.** Finally, the Committee held a scrutiny session with Ken Skates AM, Cabinet Secretary for Economy and Transport.

## 2. Overview

**6.** The task of raising the profile of a small country like Wales on the global stage is a huge challenge. During this inquiry, Canadian diplomats and trade officials told the Committee that until recently they had not really heard of Wales. Hopefully, they have now formed a positive impression of Wales and are sharing their new insight with others.

**7.** Professor Annette Pritchard, Director of Welsh Centre for Tourism Research, told the Committee that “the international marketplace is hugely challenging. Wales is competing with powerful, well-resourced destination/place brands”. She further asserts that “governments with larger tourism promotion budgets typically enjoy higher levels of international tourism spending”.<sup>1</sup>

**8.** The Wales Tourism Alliance (WTA) told the Committee that EU Structural Funds have been worth “€2.4bn to Wales over the period 2014-2020”, some of which has been available for marketing and developing tourism businesses and infrastructure, but these funds are “going to disappear” as a result of Brexit. WTA also stated last summer that “we are nowhere near identifying the detailed impacts [of Brexit] let alone being able to establish the best means of mitigating those impacts”.<sup>2</sup> While work has been done in the interim, substantial uncertainty remains.

**9.** Despite the First Minister and the Cabinet Secretary for Economy and Infrastructure saying we need to sell Wales “like never before”, the Cabinet Secretary for Economy and Infrastructure, Ken Skates AM, told the Committee “we’re in a really strong place right now, right across the portfolio”.<sup>3</sup> He told the Committee that Wales is now “the centre of adventure tourism in Europe”<sup>4</sup> with visitor numbers at a record high. He cited levels of investments into Wales also reaching record highs in recent years as “proof of Wales’ reputation as a great place to do business and evidence that our business friendly approach is paying dividends”.<sup>5</sup>

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<sup>1</sup> [Professor Pritchard consultation response](#)

<sup>2</sup> [Wales Tourism Alliance consultation response](#)

<sup>3</sup> [Economy, Infrastructure and Skills Committee 19 October 2017 paragraph 6](#)

<sup>4</sup> [Economy, Infrastructure and Skills Committee 19 October 2017 paragraph 9](#)

<sup>5</sup> [Welsh Government 19 October 2017](#)

**10.** The British Council also had a positive message for the Committee, saying “our higher education (HE) and vocational education and training (VET) sectors are deeply connected internationally”.<sup>6</sup>

**11.** But throughout the inquiry, the Committee heard from stakeholders who wanted better engagement. The City and County of Swansea was concerned about a lack of visibility and engagement with the Welsh Government’s work overseas<sup>7</sup> and the Wales Tourism Alliance told the Committee that there is more work to be done to enable tourism businesses to engage with the brand.<sup>8</sup>

**12.** The Cabinet Secretary attributed the success to date to partnership working “with a wide range of public and private sector partners” and the Welsh Government’s overseas offices, which are located in “the strategically important markets of Europe, the USA, China, UAE, India and Japan”.<sup>9</sup>

**13.** In March this year the First Minister opened a new office in Montreal, Canada. The office is part of the Welsh Government’s expansion of its overseas operations, which is “aimed at boosting trade and inward investment to new and existing markets and promoting Wales to the world”.<sup>10</sup> New offices have also been announced for France, Germany and Qatar,<sup>11</sup> and these are expected to open before the end of the year.

**14.** This report considers all of these issues in more detail, in the context of Brexit and the ongoing need to compete on the global stage to ensure a prosperous Wales for all.

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<sup>6</sup> [British Council consultation response](#)

<sup>7</sup> [Swansea consultation response](#)

<sup>8</sup> [Wales Tourism Alliance consultation response](#)

<sup>9</sup> [Welsh Government 19 October 2017](#)

<sup>10</sup> <https://gov.wales/newsroom/firstminister/2018/180302-first-minister-officially-opens-montreal-office/?lang=en>

<sup>11</sup> <https://gov.wales/newsroom/firstminister/2017/171127-welsh-government-expands-overseas-operations-to-boost-trade-post-brexit/?lang=en>

### 3. Trade and Inward Investment

**15.** Stakeholders emphasised the importance of clear leadership on international. Jenny Scott, Director Wales, British Council, told the Committee that there could be greater clarity at Welsh Cabinet level on responsibility for the international portfolio and that “Wales is unusual in that you don’t have a separate ministerial portfolio for international”.<sup>12</sup> She suggested that with such clarity would better information about the funding that is currently available through a number of departments.

**16.** Iestyn Davies, Chief Executive Officer, CollegesWales, called for “all AMs to ask internationally orientated questions” in the Senedd debating chamber but felt that the responsibility for international should “run horizontally as well as vertically across Government”.<sup>13</sup>

**Conclusion 1.** Given the uncertainties surrounding Brexit, a clear line of accountability is more important than ever.

**Conclusion 2.** The Committee recognises the benefits and logic of International sitting across multiple portfolios. However, in the current context, it also recognises the danger that shared responsibilities can sometimes fall between two stools.

**Recommendation 1.** The Welsh Government should give serious consideration to creating a specific cabinet post to combine responsibilities for international trade and Brexit implementation, in order to provide further focus to this key area and regular and structured opportunities for scrutiny.

**17.** The Welsh Government published its economic strategy paper “Prosperity for All” in September 2017. The strategy places the Government’s five year plan into a longer term context. The plan recognises that the “EU exit marks a fundamental shift in our international environment”.<sup>14</sup>

**18.** The FSB told the Committee that while they welcomed the change of emphasis in “Prosperity for All” to focus on the development of the indigenous

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<sup>12</sup> [Economy, Infrastructure and Skills Committee 11 October 2017 paragraph 86 and 88](#)

<sup>13</sup> [Economy, Infrastructure and Skills Committee 11 October 2017 paragraph 87](#)

<sup>14</sup> [Prosperity for All: economic action plan page 22](#)

economy in Wales, they told the Committee that the Welsh Government did not have “a publicly available trade and investment strategy for Wales”.<sup>15</sup>

**19.** In May 2018, the Welsh Government published “Prosperity for All: economic action plan”,<sup>16</sup> which elaborates on the high level strategy it published eight months previously, and sets out the actions necessary to achieve its future vision.

**20.** Professor Stevens felt that the action plan added to the strategies currently in place in Wales. However, he also felt that those strategies should be refined and finessed to make them more effective and efficient.<sup>17</sup>

**21.** Much of the evidence received suggested that more could be done to refine Welsh Government delivery. A central theme throughout the inquiry was for greater inclusion for the many small and micro businesses in Wales that want to get involved in supporting the Government’s strategic priorities. For example, Professor Stevens criticised the Welsh Government’s procurement processes for SMEs, saying:

“As a small business we go on Sell2Wales and to win a tender for, say, £30,000 to do a piece of work in Wales, you have to fill in the same forms as if you’re building the third Severn crossing.”<sup>18</sup>

## Export

**22.** The FSB told the Committee that Wales’ export performance has typically been strong due to a larger number of manufacturing firms here than in the rest of the UK. They cite HMRC Regional Trade Statistics that “suggest the volume of trade doubled between 1996 and 2016 to around £12bn with a peak of near £15bn in 2011”.<sup>19</sup>

**23.** The Cabinet Secretary told the Committee he changed the approach to promoting Wales abroad when he took responsibility for the portfolio “to draw together some of the other international activities to add value to the work of exporting businesses”. He felt that the fact that overseas roadshow slots for Welsh

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<sup>15</sup> [Federation of Small Businesses consultation response and Economy, Infrastructure and Skills Committee 27 September 2017 paragraph 231](#)

<sup>16</sup> [Prosperity for All: economic action plan](#)

<sup>17</sup> [Economy, Infrastructure and Skills Committee 27 September 2017 paragraph 238](#)

<sup>18</sup> [Economy, Infrastructure and Skills Committee 27 September 2017 paragraph 265](#)

<sup>19</sup> [Federation of Small Businesses consultation response](#)

businesses were taken so quickly indicated that “there is an awareness of the support that we are offering and there is a determination to be a part of it”.<sup>20</sup>

**24.** The FSB recognised that there has been more activity recently in relation to global trade missions, but they called for more SMEs to be involved. Ben Cottam, FSB, told the Committee he would like the Welsh Government to increase the “visibility of those trade missions to allow businesses, whether large or small, to put up their hand and say, ‘We want to be a part of this.’”<sup>21</sup> He felt the FSB should be involved in partnering globally ambitious SMEs with the Government when selecting who to take on roadshows as “we need to be taking the A team, and that might not always be the case”<sup>22</sup> at present.

**Recommendation 2.** The Welsh government should develop an export growth strategy to prepare companies for international markets and increase the number of companies exporting.

## Overseas offices

**25.** The FSB told the Committee that it felt the Welsh Government’s overseas offices “do not seem to have a tangible effect on export performance”.<sup>23</sup> The FSB’s interpretation of export data for 2013 to 2016 shows “poor performance in all of the countries with a Welsh Government presence” and a significant increase of exports to two countries that have no Welsh Government presence.<sup>24</sup>

**26.** However, the FSB points to research undertaken by Professor Max Munday that suggests “that the level of resourcing and personnel is as important as location in determining efficacy” but the resourcing of offices varies considerably with “political offices (i.e. Brussels and Washington) having a stronger presence than for instance the Bangalore or Delhi offices”.<sup>25</sup>

**27.** The number of Welsh Government overseas offices currently stands at 16 with further expansion planned, as set out in its strategy document Prosperity for All. However, witnesses told the Committee they were unsure of their focus, with the

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<sup>20</sup> [Economy, Infrastructure and Skills Committee 19 October 2017 paragraph 86](#)

<sup>21</sup> [Economy, Infrastructure and Skills Committee 27 September 2017 paragraph 271](#)

<sup>22</sup> [Economy, Infrastructure and Skills Committee, 27 September 2017 paragraph 283](#)

<sup>23</sup> [Federation of Small Businesses consultation response](#)

<sup>24</sup> [Federation of Small Businesses consultation response](#)

<sup>25</sup> [Federation of Small Businesses consultation response](#)

FSB calling for their role to be “clarified as part of a Trade and Investment Strategy”.<sup>26</sup>

**28.** The Welsh Government says the overseas offices are responsible for trade and investment, government relations, tourism, culture and education.<sup>27</sup> The FSB told the Committee it feels the offices are “under-resourced”<sup>28</sup> for such a broad remit.

**29.** The British Council also felt the offices were under-resourced. Their Director Wales told the Committee that while the Welsh Government has three offices and five staff in China, the British Council has five offices and 750 staff. In this context, the Council’s Jenny Scott reflected that “my first port of call wouldn’t be necessarily to the Welsh Government office there, because I would think that they’re going to be overloaded and have a lack of capacity”.<sup>29</sup>

**30.** The City and County of Swansea told the Committee “whilst we are broadly aware of the trade and investment overseas offices, currently there does not appear to be any working links between these and local authorities who could support each other in this area of work”.<sup>30</sup>

**31.** Swansea University also said they had little engagement with the offices and “when a request has been made to ensure that any incoming delegation actually visits colleges, as far as we are aware, that hasn’t been forthcoming”.<sup>31</sup>

**32.** Professor Stevens advocated for greater clarity on defining success for activities aimed at attracting inward investment, suggesting it might be about “it might be more about the number of networks we create and the effectiveness of those networks than it is actually pounds, shillings, and pence”.<sup>32</sup>

**33.** CollegesWales agreed with the need for clarity and focus, saying “We need to be laser-like in our focus and ask what will actually give us a return on our investment”.<sup>33</sup>

**34.** The British Council told the Committee:

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<sup>26</sup> Federation of Small Businesses consultation response

<sup>27</sup> [https://gov.wales/contact\\_us/officelocations/international/?lang=en](https://gov.wales/contact_us/officelocations/international/?lang=en)

<sup>28</sup> Federation of Small Businesses consultation response

<sup>29</sup> Economy, Infrastructure and Skills Committee 11 October 2017 paragraph 53

<sup>30</sup> City and County of Swansea consultation response

<sup>31</sup> Economy, Infrastructure and Skills Committee 11 October 2017 paragraph 54

<sup>32</sup> Economy, Infrastructure and Skills Committee 11 October 2017 paragraph 278

<sup>33</sup> Economy, Infrastructure and Skills Committee 11 October 2017 paragraph 78

“Wales is fortunate, isn’t it, that it has this huge network of Foreign and Commonwealth Office and Department for International Trade presence in every country in the world, and I think there’s more that could be done from Wales to assert itself within those networks to make the most of that opportunity, which not all small nations have.”<sup>34</sup>

**35.** The Cabinet Secretary told the Committee that overseas offices would be included in the integration of the international approach. He said:

“we’ve put together business plans so that we know exactly what subsectors we’re interested in, whether it be talking about foreign direct investment, what opportunities there are in terms of exporters and also the interest, whether it be from a tourism or higher education perspective. So, moving forward, we have business plans in place for all of our overseas offices and we will be working towards those in terms of our delivery so that we’re very proactive and positive in the way that we’re projecting ourselves and the type of activity we’re doing overseas.”<sup>35</sup>

**36.** Since giving evidence to the Committee, the Welsh Government has opened a further office in Montreal.

**Conclusion 3.** The wide remit of the overseas offices does not reflect their level of resourcing. Further clarity on the purpose of the offices and their measurable criteria for success would be useful.

**Recommendation 3.** Welsh Government should be more proactive in using the existing network of Foreign and Commonwealth and Department for International Trade offices and connections across the world.

**Recommendation 4.** The Cabinet Secretary should publish a detailed remit for the overseas offices, and report to the Assembly annually on the delivery against the business plan for each office.

**Recommendation 5.** The remit of the overseas offices should be communicated to businesses and stakeholders to enable dialogue between them, and maximise use of the offices. Further overseas offices should be focused on markets with high potential.

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<sup>34</sup> [Economy, Infrastructure and Skills Committee 11 October 2017](#) paragraph 80

<sup>35</sup> [Economy, Infrastructure and Skills Committee 19 October 2017](#) paragraph 156

## Inward investment

**37.** In its evidence to the Committee, the FSB was critical of the Welsh Government's inward investment policy, saying it "is effectively running to stand still" with as many jobs leaving Wales as investors re-locate in search of other government sponsored locations, as are created by incoming firms.<sup>36</sup> It called for inward investment to be judged the quality of the legacy rather than just the headline figure of jobs created.<sup>37</sup> The need to also align to the objectives of the Wellbeing and Future Generations Act is considered below.

**38.** Professor Stevens told the Committee that more could be done to "join the dots" and choose selectively those inward investments that actually add something to our areas of competitive advantage.<sup>38</sup>

**39.** The FSB suggested that the Welsh Government should "adopt an approach to inward investment that prioritises the right kinds of projects to help build on Wales' assets and to grow our domestic capacity"<sup>39</sup> and in doing so, refocus on broader economic aims.

**40.** The Cabinet Secretary acknowledged that in the past, the Welsh Development Agency had taken an approach "that saw 'here-today-gone-tomorrow' jobs attracted to Wales".<sup>40</sup> However, he also said that the approach had changed and was now more sustainable as "we are developing an approach that will ensure that we continue to grow the sectors and the sector specialisms – sub-sectoral specialisms – that have already contributed significantly to economic growth and to job creation".<sup>41</sup>

**Conclusion 4.** The Committee welcomes the new focus on the quality of inward investment which strengthens indigenous businesses and sectors, but in the context of uncertainty around Brexit, perceptions of a lack of resource for overseas offices and the difficulty experienced in engaging with businesses here in Wales, the Committee has concerns about the Welsh Government's ability to deliver.

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<sup>36</sup> [Federation of Small Businesses consultation response](#)

<sup>37</sup> [Economy, Infrastructure and Skills Committee 27 September 2017 paragraph 250](#)

<sup>38</sup> [Economy, Infrastructure and Skills Committee 27 September 2017 paragraph 257](#)

<sup>39</sup> [Federation of Small Businesses consultation response](#)

<sup>40</sup> [Economy, Infrastructure and Skills Committee 19 October 2017 paragraph 46](#)

<sup>41</sup> [Economy, Infrastructure and Skills Committee 19 October 2017 paragraph 40](#)

**Conclusion 5.** The Committee’s Recommendation 4 should strengthen focus and scrutiny which would help give assurance that the new focus on inward investment is being delivered.

## Development

**41.** As previously stated, the Committee heard that the support for and involvement of Welsh businesses in overseas promotion could be improved.

**42.** Professor Stevens pointed out that “In terms of where we’re special, where we’re different, I think it is the dominance of small businesses and microbusinesses”.<sup>42</sup> Small and microbusinesses will typically have less resource available to them to dedicate to the development of staff and business opportunities, but Professor Stevens argues that including those businesses in the debate about the future is essential to their confidence.

**43.** He also told the Committee that more needed to be done to support our future economy. He felt there was a debate to be had about the gap between the structure and strategies we have in place and the skills and capacity to deliver them. He said:

“I think we have to address in this whole exercise the human resource aspect of Wales— building capacity, building mechanisms to encourage innovation and creativity and, if you like, allowing disciplines to collide, because that’s where the innovation really happens.”<sup>43</sup>

**44.** Business Wales is administered by the Welsh Government and offers information, advice and guidance to new and growing businesses in Wales. The FSB told the Committee that “feedback from our members is generally positive, but I think, again, there is an opportunity for it to project itself more commercially and more effectively”.<sup>44</sup>

**45.** The FSB felt that there could be better support for smaller businesses to find ways to benefit from big events that are taking place in their locality. It called for “a campaign for small businesses as to how they could capitalise on the attention”.<sup>45</sup>

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<sup>42</sup> [Economy, Infrastructure and Skills Committee 27 September 2017 paragraph 277](#)

<sup>43</sup> [Economy, Infrastructure and Skills Committee 27 September 2017 paragraph 263](#)

<sup>44</sup> [Economy, Infrastructure and Skills Committee 27 September 2017 paragraph 314](#)

<sup>45</sup> [Economy, Infrastructure and Skills Committee 27 September 2017 paragraph 341](#)

**46.** Professor Stevens saw an opportunity for the Welsh Government to better support smaller businesses by facilitating better collaboration between enterprises. He said:

“so, rather than, let’s say, 10 different sailing events taking place in Pwllheli over the course of nine months, tell them to try to coalesce, and then you present a critical mass that’s understandable, coherent, and you’re capable of going to a global audience and saying, ‘Here’s something meaningful.’”<sup>46</sup>

He also gave the Committee an example of where collaboration had worked elsewhere, saying:

“where Scotland hits hard is that they’ll find an entrepreneur operating in Scotland—an indigenous business—and actually start pairing them with entrepreneurs from another country.”<sup>47</sup>

**47.** The Welsh Government’s “Prosperity for All: economic action plan”, published in May 2018, seeks to align policy with the objectives of the Wellbeing of Future Generations Act, including collaboration and involvement. The action plan seeks to “drive inclusive growth and a fairer distribution of opportunities” and recognises that “it is only by working together that we will build a strong, resilient and diverse economy for the people of Wales”.<sup>48</sup>

**Conclusion 6.** The Committee recognises the need to provide support to small and microbusiness to help them develop, collaborate and innovate within their limited resources.

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<sup>46</sup> [Economy, Infrastructure and Skills Committee 27 September 2017](#), paragraph 360

<sup>47</sup> [Economy, Infrastructure and Skills Committee 27 September 2017](#), paragraph 306

<sup>48</sup> [Prosperity for All: economic action plan](#)

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## 4. Tourism

**48.** The Wales Tourism Alliance (WTA) told the Committee that “tourism as an employer, as an economic driver and, perhaps just as significantly as the custodian of community facilities & opportunities, is paramount and irreplaceable”.<sup>49</sup>

**49.** The WTA estimated the contribution of the visitor economy accounted for 13.3 per cent of the total Welsh economy, compared with 8.6 per cent in England, 10.4 per cent in Scotland and 4.9 per cent in Northern Ireland.

**50.** Professor Pritchard told the Committee that Wales is the “most tourism-dependent region within the whole of the UK”. Despite it having so much to offer tourists, it still struggles to attract more than a 2 per cent share in the international visitor market, with the nearby South West attracting 5 per cent and Scotland closer to 8.5 per cent.<sup>50</sup>

**51.** In its 2013 publication “Partnership for Growth”, the Welsh Government notes the “major contribution” tourism makes to the Welsh economy. It also recognises that the strategy cannot be delivered alone, saying “Partnership is at the heart of this strategy as success cannot be delivered without a unity of purpose and a team approach from Government, the private sector and other stakeholder organisations”. On the practicalities of partnership working, the Welsh Government states “as a small country, we are ideally suited to working together as a team to drive success for Wales”.<sup>51</sup>

**52.** However, evidence received by the Committee suggests there is still more to be done to make that partnership approach a success. The WTA said “there needs to be much more engagement with the industry, particularly smaller businesses”.<sup>52</sup>

**53.** The City and County of Swansea shared its concern that although the business-to-business approach of Visit Wales is well understood, there is a danger that in the context of limited time and resources, it would be easy for Visit Wales to focus on working with the businesses they already have relationships with. Swansea’s evidence suggests “there is a danger that some businesses do not feel

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<sup>49</sup> [Wales tourism Alliance Consultation response](#)

<sup>50</sup> [Economy, Infrastructure and Skills Committee, 21 September 2017, paragraph 42-45](#)

<sup>51</sup> [Partnership for Growth: strategy for tourism 2013 - 2020](#)

<sup>52</sup> [Economy, Infrastructure and Skills Committee, 21 September 2017, paragraph 56](#)

part of the Visit Wales “family” and excluded from the marketing opportunities available” as they are not involved in Visit Wales overseas activities.<sup>53</sup>

**54.** Witnesses told us that businesses felt excluded from not just the marketing opportunities Visit Wales might afford them, but also from the Welsh branding. This is discussed in more detail below.

## Branding

**55.** Branding, built on a deep understanding of a country’s strengths and perceptions of the country around the world was a cornerstone of the strategies being pursued by countries such as Canada and Switzerland.

**56.** In tourism terms, Wales has much to offer to both domestic and overseas visitors. The Cabinet Secretary told the Committee that the brand was award winning and is “seen as the benchmark now”.<sup>54</sup> He also said:

“back in 1985, around the world, billboards were going up that said, ‘if adventure has a name, it must be Indiana Jones’. I think we can genuinely say now, ‘if adventure has a home, it’s Wales’. We are at the centre of adventure tourism in Europe, and that is as a consequence of having a very strong, concerted effort and one vision to promote Wales on the back of what is genuinely its greatest strength, which is the great outdoors and its heritage and culture.”<sup>55</sup>

**57.** The WTA told the Committee that the Wales brand “has got stronger and it’s been consolidated”<sup>56</sup> although other witnesses called for the brand to be further developed to reflect the modern Wales.

**58.** The Welsh Language Commissioner told the Committee that the Welsh language should be used to support business growth and promote the Welsh economy. She expressed frustration that the 2016 Partnership for Growth progress review did not refer to progress in promoting the Welsh language, “apart from noting that Visit Wales have launched a Welsh language website”.<sup>57</sup>

**59.** Professor Morgan, Head of Business Marketing at Swansea University, agreed that language is a good way of conveying a sense of place and identity for a

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<sup>53</sup> [City and County of Swansea Consultation response](#)

<sup>54</sup> [Economy, Infrastructure and Skills Committee 19 October 2017 paragraph 12](#)

<sup>55</sup> [Economy, Infrastructure and Skills Committee 19 October 2017 paragraph 7 - 9](#)

<sup>56</sup> [Economy, Infrastructure and Skills Committee, 21 September 2017, paragraph 56](#)

<sup>57</sup> [Welsh Language Commissioner consultation response](#)

country. He referred to the successful rebranding of the Spanish Costas over the last 25 years. He told the Committee

“they’ve brought high-quality food, they’ve brought gastronomy, they’ve brought wine, they’ve brought culture, they’ve brought the language into the brand, and, actually, that’s very similar to what we would like to see here, isn’t it?”<sup>58</sup>

**60.** The Learned Society agreed, telling the Committee “given the Welsh Government’s commitment to promoting and developing Cymraeg, tourism should be actively promoting it as a living, vibrant language”.<sup>59</sup>

**61.** Cardiff Airport felt that Wales was creating a “strong, unified brand for the whole nation” but also acknowledged that it takes time for a brand to really bed in. Cassie Houghton, Head of Marketing and Public Relations, told the Committee that in growing the brand, it was important to engage with “the actual products and services to make sure it matches what the brand is saying”.<sup>60</sup>

**62.** WTA told the Committee they thought there could be better engagement to enable small businesses in particular to access the branding. They felt that access to the brand should be subject to quality assurance and protection of standards but they called for “a mechanism as to how to get involved, how we then protect the product, develop the product, so we’ve got a meaningful cycle”.<sup>61</sup>

**63.** Professor Nigel Morgan, Head of Business Management at Swansea University, told the Committee “my understanding is that there will be some loosening of the proprietorial protection of the brand—the logo bit of the brand, if you like. I think that needs to happen”.<sup>62</sup>

**64.** The Cabinet Secretary told the Committee the brand is “built on two things: about showing Wales to the world, but it’s equally important that the brand inspires the people of Wales to get behind it”.<sup>63</sup>

**Conclusion 7.** Wales has a strong brand but despite the Welsh Government’s intentions, many of the businesses in Wales feel excluded from it.

<sup>58</sup> [Economy, Infrastructure and Skills Committee, 21 September 2017 paragraph 71](#)

<sup>59</sup> [Learned Society Consultation response](#)

<sup>60</sup> [Economy, Infrastructure and Skills Committee, 21 September 2017 paragraph 212 - 213](#)

<sup>61</sup> [Economy, Infrastructure and Skills Committee, 21 September 2017 paragraph 56-60](#)

<sup>62</sup> [Economy, Infrastructure and Skills Committee, 21 September 2017 paragraph 62](#)

<sup>63</sup> [Economy, Infrastructure and Skills Committee 19 October 2017 paragraph 60](#)

**Recommendation 6.** The Welsh Government should consider how to enable a wider range of businesses in Wales to access the branding, while retaining control of standards.

## Digital presence

**65.** Wales is represented on a number of websites. The UK’s “VisitBritain.org” and “VisitBritain.com” incorporate Visit Britain and Visit England, with limited references to Wales. Wales uses “Wales.com”, “VisitWales.com”, “StudyInWales.ac.uk” and “TradeAndInvest.Wales”.

**66.** Professor Pritchard told the Committee that “the extent to which the Welsh brand is embedded in VB [Visit Britain] content is questionable as article content barely features Wales”.<sup>64</sup> She analysed the Welsh presence on the VisitBritain.com online shop and found that Wales had 24 products in all, while Scotland had 37 and England (excluding London) had 115. By June 2018, the number of Welsh products available on the VisitBritain site had reduced to 16.

**67.** The Cabinet Secretary told the Committee that the merger of Visit Britain and Visit England had “left us with a bit of a problem in terms of how we are seen as equal partners in VisitBritain”.<sup>65</sup> He told the Committee he would be raising the issue at a ministerial meeting of devolved nations, and a Wales Government official would be working on secondment with VisitBritain to address the issue. Since taking evidence on this, the website appears to provide better representation of Wales as part of the UK brand with Wales prominent on the home page in June 2018, although the bookable products have reduced in number.

**68.** The Welsh Government uses four separate websites to present Wales to the world. The Vale of Glamorgan Council responded to the Committee consultation saying “Colleagues and I have worked in the field of economic development and tourism for years and had not heard of Wales.com”.<sup>66</sup>

**69.** The Cabinet Secretary describes Wales.com as “a cross-cutting website that also acts as a portal for the other sites. It directs business visitors and inquiries to the *tradeandinvest.wales* site and the Business Wales team”.<sup>67</sup> The VisitWales.com

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<sup>64</sup> [Professor Pritchard consultation response](#)

<sup>65</sup> [Economy, Infrastructure and Skills Committee 19 October 2017 paragraph 116](#)

<sup>66</sup> [Vale of Glamorgan Council consultation response](#)

<sup>67</sup> [Welsh Government 19 October 2017](#)

website “promotes tourism and attracts leisure visitors to Wales”. The websites are informative, but do not enable visitors to the site to book or buy Welsh products.

**70.** The WTA told the Committee that overseas visitors “account for less than 5% of tourism visits, but account for 10% of tourism expenditure”<sup>68</sup> so there is value in seeking to attract overseas visitors beyond London to Wales. In 2016, Cardiff attracted 357,000 visitors to the city, placing it 10<sup>th</sup> amongst UK cities. Bristol, its nearest competitor, attracted 570,000.<sup>69</sup>

**71.** Professor Pritchard told the Committee:

“Research shows that [overseas] visitors are unable to imagine the types of holidays available to them outside of London and itineraries and London Plus packages are important when facilitating visits when visitor knowledge is low. Wales needs to work even harder than other GB competitor regions/countries because of its low awareness and that will require increased funding and product/package tour itinerary development.”<sup>70</sup>

**72.** However, the WTA also told the Committee that “VisitWales.com cannot contain actual bookable product due to the constraints imposed on Government” although they called for clarity on those state aid rules once the EU leaves the UK.<sup>71</sup>

**73.** The City and County of Swansea called for better links between the websites. They told the Committee that they would like to see “increased visibility of Swansea on Welsh Government’s marketing materials and hyperlinks through to our own websites”.<sup>72</sup>

**74.** Cardiff Airport considered the role of the websites as a hub for content to be pushed out through digital media strategies.<sup>73</sup>

**75.** The Cabinet Secretary told the Committee that he is “constantly aiming to improve our digital footprint and our new Wales Digital Gateway project will offer improved integration between the existing sites and provide a more seamless

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<sup>68</sup> [Wales Tourism Alliance consultation response](#)

<sup>69</sup> [Professor Pritchard consultation response](#)

<sup>70</sup> [Professor Pritchard consultation response](#)

<sup>71</sup> [Wales Tourism Alliance consultation response](#)

<sup>72</sup> [City and County of Swansea consultation response](#)

<sup>73</sup> [Economy, Infrastructure and Skills Committee, 21 September 2017](#) paragraph 255

journey for audiences looking for information about Wales".<sup>74</sup> He also told the Committee that in 2016, international visitor numbers exceeded one million for the first time since 2008 and that the VisitWales social media engagement accounted for around £30 million of the forecast additional spend in 2016.

**Conclusion 8.** The Committee welcomes increased visitor numbers and the positive digital engagement work Visit Wales has carried out. However, although there has been some improvement on the VisitBritain site, there is room for more improvement, especially in the number of bookable products that are available, which are vital in attracting overseas visitors.

**Conclusion 9.** The current restraints that prevent bookable products being included on the VisitWales.com website could change after the UK leaves the EU.

**Conclusion 10.** Wales.com could be used by Welsh Government as a tool to reach out to small and micro businesses that wish to support brand Wales.

**Conclusion 11.** Recognising the importance of packages and bookable products, the Welsh Government should provide support and encouragement to small and microbusinesses to collaborate and develop packages in their area.

**Recommendation 7.** The Welsh Government should continue to lobby for better representation as part of the VisitBritain digital presence, including the number of bookable products.

**Recommendation 8.** The Welsh Government should consider whether VisitWales could offer bookable products.

**Recommendation 9.** The Welsh Government should raise awareness of the support available to small and micro businesses and third sector providers to collaborate and develop bookable tourism packages in their area.

## Events

**76.** Wales has delivered some exceptional events in recent years. The UEFA Champions League Final in 2017 was followed by the Volvo Ocean Race choosing Cardiff as one of thirteen international host cities in 2018. The Cabinet Secretary told the Committee that in addition to attracting large international events to Wales, he was also committed to supporting a portfolio of "home grown" arts and

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<sup>74</sup> [Welsh Government 19 October 2017](#)

cultural events, such as the Hay Literary Festival, Green Man Music Festival and Machynlleth Comedy Festival.<sup>75</sup>

**77.** The FSB was sceptical of the legacy of benefits being realised from the events already taking place in Wales. Ben Cottam, Head of External Affairs, told the Committee he felt there was a “fire-and-forget mentality around big events in Wales. Yes, we get a warm feeling from the exposure that gives us, but the legacy of the exposure could be better”.<sup>76</sup> He suggested that further benefits could be realised through a campaign to help guide small businesses towards making links with the markets brought in by big events, and how to capitalise on the attention.<sup>77</sup>

**78.** The European Tourism Association raised concerns about the disruption brought by big events. They felt that if you hold a big event in an area, you tell your usual customers that you are closed for business. They told the Committee:

“I would be very cautious about holding large events, and if you do, remember to contain them very carefully and try and maintain that your regular business is unaffected by such an event. Bigger event: bigger disruption, bigger problem.”<sup>78</sup>

**79.** Other witnesses were concerned that big events were Cardiff centric and failed to provide benefits or a legacy for other areas of Wales. However, it was also recognised that for very large events, hotels as far as Weston-Super-Mare were used for staff working in Cardiff as hotels were used across a wide area.<sup>79</sup>

**80.** The WTA called for an open review of the major events market and an assessment of Wales’ ability to grow market share and roll out any benefits across Wales.<sup>80</sup>

**81.** Just as with other aspects of the Committee’s inquiry, calls were also made for the Welsh Government to improve its communication with stakeholders in Wales who could add to or benefit from large events if involved at an earlier stage.

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<sup>75</sup> [Welsh Government 19 October 2017](#)

<sup>76</sup> [Economy, Infrastructure and Skills Committee 27 September 2017](#) paragraph 343

<sup>77</sup> [Economy, Infrastructure and Skills Committee 27 September 2017](#) paragraph 341 and 343

<sup>78</sup> [Economy, Infrastructure and Skills Committee 21 September 2017](#) paragraph 273

<sup>79</sup> [Economy, Infrastructure and Skills Committee 21 September 2017](#) paragraph 306

<sup>80</sup> [Wales Tourism Alliance consultation response](#)

**82.** The City and County of Swansea welcomed the possibility of working more closely with the Welsh Government on major events, saying:

“There is a general feeling that many local authorities often feel disenfranchised from initial discussions over the wider strategy of attracting major international events despite a Major Events Strategy (MES) being in place.”<sup>81</sup>

**83.** The British Council told the Committee of the potential benefits of bringing the world to our shores by establishing a high profile international conference, expo or festival in Wales. Jenny Scott, Director Wales, British Council, called for research to consider what model could work for Wales, to “showcase the best of Welsh culture and attract large numbers of international promoters, tourists and policy makers to Wales”.<sup>82</sup>

**84.** Universities Wales suggested that there are further opportunities for the Welsh Government to work with relevant agencies to encourage large scale international HE conferences.<sup>83</sup>

**85.** The Cabinet Secretary told the Committee that in 2015, “we supported 35 different events that helped generate 348,000 visitors to Wales and supported 1,200 jobs”. When asked about return on investment for such events, the Cabinet Secretary quoted research that estimates an 8:1 return on intergenerational events.<sup>84</sup>

**Conclusion 12.** Wales is performing well in bringing in large international events, and the Welsh Government gave examples of support for home-grown events. More could be done to involve stakeholders in capitalising on events and creating legacy, but implementing the recommendations relating to engagement and cross sector working elsewhere in this report will have impact on this area.

## Public transport

**86.** The WTA told the Committee that public transport sometimes falls below expectations for tourists. Adrian Barsby, Chair, said “If you look at the train and bus

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<sup>81</sup> [City and County of Swansea consultation response](#)

<sup>82</sup> [British Council Wales consultation response](#)

<sup>83</sup> [Universities Wales consultation response](#)

<sup>84</sup> [Economy, Infrastructure and Skills Committee 19 October 2017 paragraph 176](#)

timetables on a Sunday, anybody would think that we still just go to church on Sundays and don't do anything else".<sup>85</sup>

**87.** The Committee notes that the new KeolisAmey rail franchise, managed by Transport for Wales, intends to address some of the concerns expressed by witnesses particularly in relation to Sunday services.

**88.** In addition to regular services on evenings and Sundays, witnesses also called for a Wales rail pass to encourage overseas tourists out of London. Professor Pritchard told the Committee that "most overseas visitors like to come by rail. They want easy options to buy".<sup>86</sup>

**89.** Arrive Trains Wales currently offer a four day Explore Wales Pass on the Wales and Borders network. This is expected to continue under the new franchise.

**90.** On air travel, Professor Pritchard told the Committee "APD [Air Passenger Duty] has also suppressed tourism economic growth, employment prospects and revenue contributions and is recognised across the Senedd and the sector as hampering Cardiff Wales Airport's ability to expand and operate as a hub for international tourism to Wales".<sup>87</sup>

**Conclusion 13.** Enhanced promotion of the Explore Wales rail pass could encourage overseas tourists, to stay in Wales a little longer before moving on.

**Recommendation 10.** Transport for Wales should consider how best to raise awareness of the Explore Wales Rail Pass as part of the new rail franchise arrangements.

**Recommendation 11.** The Welsh Government should continue to lobby the UK Government on the devolution of Air Passenger Duty to Wales.

## Skills

**91.** During the inquiry, the Committee heard much about the importance of the tourism industry to Wales. Professor Morgan said "the Welsh visitor economy is an engine of entrepreneurship, regeneration, economic and social inclusion and sustainable growth".<sup>88</sup>

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<sup>85</sup> [Economy, Infrastructure and Skills Committee, 21 September 2017, paragraph 185](#)

<sup>86</sup> [Economy, Infrastructure and Skills Committee, 21 September 2017, paragraph 188](#)

<sup>87</sup> [Professor Prichard additional evidence to the Committee](#)

<sup>88</sup> [Professor Morgan consultation response](#)

**92.** Professor Pritchard described tourism as “one of Wales’s top-performing industries, it is one of its major growth contributors, it is one of the best-achieving priority sectors within Welsh Government, and yet, it’s kind of a Cinderella industry”.<sup>89</sup>

**93.** ‘Partnership for growth’ is the Welsh Government Strategy for tourism 2013 – 2020 but witnesses told the Committee that there is no action plan in place for the final three years of that strategy. The WTA told the Committee:

“We’re now operating a key strategy of Government without an action plan, and I guess if we are going to address all five Ps, particularly the two Ps in terms of profitable performance and people development, then, some form of action plan is going to be crucial.”<sup>90</sup>

**94.** WTA shared concerns that post Brexit, the current skills shortage in the industry would be amplified due to the current dependency on EU nationals and the “damaging effect of the current uncertainty over their future status”. They told the Committee that “the future health of the tourism industry depends on this uncertainty being resolved at a very early date”.<sup>91</sup>

**95.** The WTA also called for action to be taken to address “the issues of wage levels, working conditions, industry reputation and the adequacy of suitable training provision”.

**96.** Professor Morgan told the Committee “I think there’s a big job of work to be done to persuade people that this is a serious industry”. He called for people to recognise that “It doesn’t have to be something you do while you wait for a ‘proper job’”.<sup>92</sup>

**97.** The Committee welcomes the Economic Action Plan’s focus on tourism as a Foundation Sector. It will return to scrutiny of the cross-government enabling plans in due course.

**98.** As part of the Committee’s follow-up inquiry into the Apprenticeship Levy, the Welsh Government confirmed that it is currently scoping apprenticeships in the tourism sector, as part of the Foundational Economy.<sup>93</sup>

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<sup>89</sup> [Economy, Infrastructure and Skills Committee, 21 September 2017, paragraph 13](#)

<sup>90</sup> [Economy, Infrastructure and Skills Committee, 21 September 2017, paragraph 15](#)

<sup>91</sup> [Wales Tourism Alliance consultation response](#)

<sup>92</sup> [Economy, Infrastructure and Skills Committee, 21 September 2017, paragraph 85](#)

<sup>93</sup> [Economy, Infrastructure and Skills Committee, 19 April 2018, paragraph 36](#)

**Conclusion 14.** The Committee notes the concern relating to skills shortages, particularly in the context of Brexit. It welcomes the anticipated apprenticeships in tourism but is unsure how they alone will tackle the skills shortage highlighted as part of this inquiry. The Committee will keep this issue under review as part of its wider scrutiny agenda.

**Conclusion 15.** Given the anticipated impact of Brexit, the Committee is not clear on the steps that are being taken in the short term to support its potential effects on the tourism industry.

**Recommendation 12.** The Welsh Government should review its plans to support the industry with workforce development in tourism, in the context of Brexit.

## 5. Education

**99.** Data from the Higher Education Statistics Agency shows that in Wales in 2016-17, there were 6,235 EU and 14,970 non-EU domiciled students, out of a total of 129,395 students. Overseas students make up 16 per cent of the total student population in Wales, as compared to 24 per cent of the UK student population.

**100.** Universities Wales estimated that in 2015/16, international students supported more than 6,850 jobs in Wales and generated £716 million of Welsh output.<sup>94</sup>

**101.** The Learned Society of Wales highlighted that “in 2014, universities generated £530 million of export earnings equivalent to 4% of all Welsh exports”.<sup>95</sup>

**102.** Professor Iwan Davies of Universities Wales told the Committee that international students also generate academic tourism, for example, when families visit students. He told the Committee that “7 per cent of tourism in Wales is actually linked with universities”.<sup>96</sup>

**103.** On 12 July, the Cabinet Secretary for Education announced £3.5m for Global Wales “to drive international partnerships and promote Wales as a study destination in a post Brexit world”.<sup>97</sup> Global Wales is a partnership between Universities Wales, British Council Wales, the Welsh Government and the Higher Education Funding Council for Wales, which focuses on two priority markets: the USA and Vietnam.

### Alumni

**104.** The Committee heard that the value to Wales of international students goes beyond the time they are studying here. Universities Wales said:

“the international body of honorary fellows amongst the Welsh universities is something that is very significant indeed. And there

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<sup>94</sup> [www.uniswales.ac.uk/wp/media/Unis-Wales-international-student-research.pdf](http://www.uniswales.ac.uk/wp/media/Unis-Wales-international-student-research.pdf)

<sup>95</sup> [Learned Society consultation response](#)

<sup>96</sup> [Economy, Infrastructure and Skills Committee 11 October 2017 paragraph 236](#)

<sup>97</sup> <https://gov.wales/newsroom/educationandskills/2018/3-5m-for-promoting-welsh-universities-in-a-post-brexit-world/?lang=en>

you've got ambassadors within country who associate themselves and universities in a very spectacular way"<sup>98</sup>

**105.** Angharad Thomas, Director of International Development, Bangor University, told the Committee “the British Government has actually recognised the power of the alumni”<sup>99</sup> and are building networks of decision makers and future influencers.

**106.** CollegesWales told the Committee that more could be done to engage alumni and associate their success with Wales. Iestyn Davies told the Committee:

“I don't think it's beyond the ability of any individual to draw up just the top 100 of Wales's most influential expats, for instance, and start to be very strategic and very direct in that approach. Maybe it happens, I don't know, but no-one seems to be linking with us to say, 'Do you know this person is a leader in their field and they trained at X college or Y university?'<sup>100</sup>

**Conclusion 16.** The Committee recognises the benefit of engaging with alumni and highlighting the successes overseas of people who have spent time in Wales.

## The Further and Higher Education offer

**107.** Witnesses told the Committee they felt the “study in Wales” brand lacked profile. British Council Wales told the Committee that although the brand was having some success, “it's an initiative that needs to be scaled up. It needs to have smarter and greater investment. It needs to be able to look at new markets as well as those that it's working in at the moment”.<sup>101</sup>

**108.** Witnesses felt that Wales currently has the advantage that qualifications are transferrable as they link to the European qualifications framework, a framework that is used by some countries outside of the EU as a model of best practice.<sup>102</sup> Universities Wales called for those links and standards to be maintained after the UK leaves the EU, calling for an “unequivocal commitment by the Welsh

<sup>98</sup> [Economy, Infrastructure and Skills Committee 11 October 2017](#) paragraph 218

<sup>99</sup> [Economy, Infrastructure and Skills Committee 11 October 2017](#) paragraph 216

<sup>100</sup> [Economy, Infrastructure and Skills Committee 11 October 2017](#) paragraph 98

<sup>101</sup> [Economy, Infrastructure and Skills Committee 11 October 2017](#) paragraph 10

<sup>102</sup> [Economy, Infrastructure and Skills Committee 11 October 2017](#) paragraph 12

Government to maintain that link and support it through its officials, and to continue to work with us”.<sup>103</sup>

**109.** The Committee considered vocational courses alongside university education. CollegesWales told the Committee about the strengths of the international work being done in colleges now. Mr Davies, Chief Executive Officer, said

“At this point in time, we have members of FE colleges competing in the WorldSkills programme, who are about to travel to Abu Dhabi. We have the next round of that taking place at a UK level in November. Wales has a fantastic story to tell about vocational skills in hospitality and tourism, and, like I say, across the whole vocational area, and we need to sell it.”<sup>104</sup>

**110.** He also called on the Welsh Government to work more closely with FE to reach out to emerging and existing economies and tell them that their particular vocational skills needs could be met in Wales.<sup>105</sup>

**Conclusion 17.** The portability of qualifications is key, and something the Minister for Welsh Languages and Skills has spoken to the Committee recently about, as part of a separate inquiry into the Apprenticeship Levy. The Committee considers it wise to continue to adhere to the European Qualifications Framework which is used as the benchmark across Europe and beyond.

**Conclusion 18.** The Committee has previously expressed its support for vocational courses to have parity of esteem with university courses. Given the opportunity to reach out to emerging economies to provide such courses, the economic advantages of doing so should be explored.

**Recommendation 13.** The Welsh Government should commit to working with Universities and colleges to ensure that academic and professional qualifications awarded in Wales remain portable.

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<sup>103</sup> [Economy, Infrastructure and Skills Committee 11 October 2017 paragraph 12](#)

<sup>104</sup> [Economy, Infrastructure and Skills Committee 11 October 2017 paragraph 13](#)

<sup>105</sup> [Economy, Infrastructure and Skills Committee 11 October 2017 paragraph 9](#)

## Links

**111.** Universities Wales advocated creating and strengthening international links by hosting conferences in Wales. Amanda Wilkinson, Director, Universities Wales told the Committee “the market for academic conferences...is very, very large”.<sup>106</sup>

**112.** Professor Davies told the Committee that the British Science Festival held in Swansea in 2016 was so successful that they “couldn’t contain it to a year”.<sup>107</sup> The impact on the local area was as positive as the impact for the university, which is competing on the global stage.

**113.** Witnesses told the Committee that colleges and universities are keen to work more closely with the Welsh Government. CollegesWales told the Committee:

“Very often, arts, education, are the calling cards for Wales, and there should be ways of linking them with business to be able to really leverage that and get that higher return on investment.”<sup>108</sup>

**114.** The Welsh Government has an International Group that seeks to support the work of universities and colleges. British Council welcomed the formation of the group, saying:

“I think we all recognise that there are times when opportunities are missed simply because information isn’t shared, plans aren’t shared. So, I think this is an opportunity to have a more coherent and joined-up way of working.”<sup>109</sup>

**115.** The British Council also welcomed the new approach to the group that has included non-governmental organisations and organisations from the cultural sector, with a clear intention to expand membership after the initial meeting last year. The British Council’s written evidence to the Committee made a clear link between “soft power and the value of exports”,<sup>110</sup> a link they highlighted again in the context of the International group.

**116.** CollegesWales told the Committee that networks in Europe were even more important in the context of Brexit. They told the Committee that the picture is

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<sup>106</sup> [Economy, Infrastructure and Skills Committee 11 October 2017 paragraph 232](#)

<sup>107</sup> [Economy, Infrastructure and Skills Committee 11 October 2017 paragraph 232](#)

<sup>108</sup> [Economy, Infrastructure and Skills Committee 11 October 2017 paragraph 46](#)

<sup>109</sup> [Economy, Infrastructure and Skills Committee 11 October 2017 paragraph 16](#)

<sup>110</sup> [British Council Wales consultation response](#)

quite complex, but “Welsh Government further education and apprenticeships division is looking how best to use those sorts of region-to-region, organisation-to-organisation networks as well”.<sup>111</sup>

**117.** The British Council highlighted the need for Welsh students to be connected globally too. They told the Committee:

“Wales needs young people with the intercultural and linguistic skills to do business with and positively influence the rest of the world. The continued decline of MFL in our schools will harm Wales’ ability to do that in the long term.”<sup>112</sup>

**118.** The British Council also pointed out that more than 2,500 individuals had taken the opportunity to live, work or study abroad in 2016 through the EU’s Erasmus+ programme. The British Council called on the Welsh Government to commit to supporting that programme after the UK has left the EU.<sup>113</sup>

**119.** The Welsh Government confirmed in July 2018 that it would continue to support EU students studying in Wales for the 2019/20 academic year (the first after Brexit).<sup>114</sup>

**Conclusion 19.** The Committee has heard throughout the inquiry that inclusion and engagement is key to maximising the impact and benefits of selling Wales to the world. This is as true for communication between the Welsh Government and its stakeholders in Wales as it is for Colleges, Universities and students to be connected globally.

**Recommendation 14.** The Welsh Government should support people wishing to live, work or study abroad. If Wales can no longer benefit from Erasmus+ or Horizon Europe (the successor programme to Horizon 2020), then alternative programmes within and outside the EU should be considered.

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<sup>111</sup> [Economy, Infrastructure and Skills Committee 11 October 2017 paragraph 84](#)

<sup>112</sup> [British Council Wales consultation response](#)

<sup>113</sup> [British Council Wales consultation response](#)

<sup>114</sup> <https://gov.wales/newsroom/educationandskills/2018/kirsty-williams-confirms-eu-student-funding-guarantee-for-welsh-universities/?lang=en>

## 6. Team Wales

**120.** The Committee heard that the partnership working that the Cabinet Secretary places at the heart of his strategy does not always work as it should. The British Council observed that across the sectors “there are times when opportunities are missed simply because information isn’t shared, plans aren’t shared”.<sup>115</sup> City & County of Swansea concurred, saying:

“In terms of Trade, City & County of Swansea feel there is an overall lack of engagement between Welsh Government teams, Local Authorities and business partnerships such as Swansea Economic Regeneration Partnership...there is no visibility to local authorities of the work undertaken to sell Wales to the World.”<sup>116</sup>

**121.** Witnesses called for more collaboration, with a lack of connectivity being highlighted by the Learned Society, and the FSB calling for a greater alignment between trade and tourism strategies.<sup>117</sup>

**122.** The British Council suggested that:

“Wales needs an integrated international strategy – a single vision for shaping our global future that aligns established tourism, trade and inward investment approaches with work being done to take forward the international ambitions of our educational and cultural sectors.”<sup>118</sup>

**123.** The FSB told the Committee that Wales should collaborate more in order to promote itself within the UK, as well as internationally. They said:

“we are going to be regionally more competitive. Wales is going to be competing against city regions in the rest of the UK that are already projecting themselves internationally much more effectively, arguably, than we are. So, I think there is a need for a strategy that binds together all this and purposes the resources that we have, whether they be resources overseas, such as the international offices, or indeed the

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<sup>115</sup> [Economy, Infrastructure and Skills Committee 11 October 2017](#) paragraph 16

<sup>116</sup> [City and County of Swansea consultation response](#)

<sup>117</sup> [Consultation responses: Universities Wales; County and City of Swansea; Learned Society; Federation of Small Businesses](#)

<sup>118</sup> [British Council Wales consultation response](#)

resource we have for attracting inward investment and, by that, generating supply chains here in Wales.”<sup>119</sup>

**124.** The Cabinet Secretary told the Committee that work was underway to integrate strategies across sectors and that the Welsh Government is using “Prosperity for All” as its base, with a focus on Brexit and what that will mean to us in Wales.<sup>120</sup>

**Conclusion 20.** The Committee agrees that Wales needs to be connected and coherent in its strategies and approaches if we are to raise our profile globally.

**Conclusion 21.** Across the three sectors this inquiry focused on, we found good examples of work being carried out by the Welsh Government and its stakeholders. But we also found that the Government and stakeholders could and should be better connected. Partnership working is at the heart of the Welsh Government’s strategies and its stakeholders are calling for further engagement. While the intent is there, the delivery could be improved.

**Conclusion 22.** Evidence suggested that a new overarching strategy was needed. Now that the Economic Action Plan has been published, the Committee will monitor and report on its implementation and impact.

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<sup>119</sup> [Economy, Infrastructure and Skills Committee, 27 September 2017 paragraph 237](#)

<sup>120</sup> [Economy, Infrastructure and Skills Committee 19 October 2017 paragraph 20 - 21](#)

## Annex: Witnesses

<b>Name</b>	<b>Organisation</b>
Professor Annette Pritchard	Independent Advisor
Professor Nigel Morgan	Swansea University
Adrian Greason-Walker	Wales Tourism Alliance
Adrian Barsby	Wales Tourism Alliance
Debra Barber	Cardiff Airport
Cassie Houghton	Cardiff Airport
Tom Jenkins	European Travel Agents Organisation
Ben Cottam	Federation Small Businesses
Professor Terry Stevens	Stevens & Associates
Sabine Platteuw	British Embassy (Brussels)
Inge Haeldermans	British Embassy (Brussels)
Berwyn Davies	Welsh Higher Education (Brussels)
Huw Roberts	Welsh Government (Brussels)
Gilles Roduit	Swiss Embassy (Brussels)
Raphaël Saborit	Swiss Embassy (Brussels)
Alan Bowman	Canadian Embassy (Brussels)
Stéphane Lambert	Canadian Embassy (Brussels)
Karl van Kessel	Canadian Embassy (Brussels)
Evelyn Smith	Enterprise Ireland (Brussels)
David Taylor	New Zealand Ambassador (Brussels)
Rickard Eksten	Scotland Europa (Brussels)
Iestyn Davies	Colegau Cymru
Jenny Scott	British Council Wales
Chris Lewis	British Council Wales
Professor Iwan Davies	Universities Wales
Angharad Thomas	Bangor University
Amanda Wilkinson	Universities Wales
Ken Skates AM	Cabinet Secretary for Economy and Transport