

British Trade International

The Government's Expenditure Plans 2001-02 to 2003-04
and Main Estimates 2001-02



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PARTNERS UK

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British Trade International

This is part of a series of departmental reports and Main Estimates which, accompanied by the document *Public Expenditure: Statistical Analysis 2001-02*, present the Government's expenditure plans for 2001-2004.

The plans were published in summary form in the Budget documentation.

The complete series is also available as a set at a discounted price.



British Trade International

The Government's Expenditure Plans 2001-02 to 2003-04
and Main Estimates 2001-02

Presented to Parliament by the Secretary of State for Trade and Industry and
the Secretary of State for Foreign and Commonwealth Affairs and the
Chief Secretary to the Treasury
by Command of Her Majesty
March 2001

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Foreword

We are pleased to present this first separate Expenditure Plans Report for British Trade International – the joint DTI and FCO body responsible for trade development and promotion of inward investment.

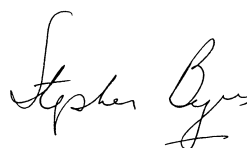
Business is no longer confined within national borders. International investors can locate their operations anywhere in the world, with goods made wherever the conditions are best. Investment and information shoot around the world at the press of a button or the click of a mouse. International trade in goods and services, supported by new technology, continues to grow. We live in a truly global economy and British business must increasingly have a global ambition to prosper in this new economy.

British Trade International has a key role to play in fostering British business success, helping firms to prepare for international trade and the exposure it brings to the best knowledge and skills worldwide. For many companies it will no longer be an option to rely solely on domestic markets. British Trade International exists to help business to prepare for the challenges of international trade and, through its worldwide network, to provide the information, contacts and support, which business needs. Moreover, our continued success in attracting high-quality inward investment brings jobs, prosperity and know-how, directly and through the supply chain. The UK continues to be the leading location in Europe for inward investment. We must ensure that it remains so.

It is now nearly two years since British Trade International was established as the Government's lead body on trade development and promotion. The decision to bring inward investment promotion alongside trade development, under the British Trade International umbrella, allows these government services to respond to the changing nature of trade and investment, where traditional distinctions between export and investment activities are increasingly blurred. This Report gives details of British Trade International's activities and achievements in the last year and its plans for the future. We look forward to further progress in the years to come.



The Rt Hon Robin Cook MP
Secretary of State for Foreign
and Commonwealth Affairs



The Rt Hon Stephen Byers MP
Secretary of State for Trade
and Industry

The Board of British Trade International

Chairmen

The Rt Hon Richard Caborn MP
Minister for Trade
Department of Trade and Industry

Brian Wilson MP
Minister of State
Foreign and Commonwealth Office

Vice-Chairmen

HRH The Duke of Kent KG

Sir David John KCMG
Chairman
The BOC Group plc

Group Chief Executive

Sir David Wright KCMG, LVO

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Trade International Northern
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Kirit Pathak OBE
Chairman and Chief
Executive
Patak (Spices) Ltd

Richard Turner OBE
Group Marketing Director
Rolls Royce plc

Vivian Brown
Chief Executive
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Derek Jones
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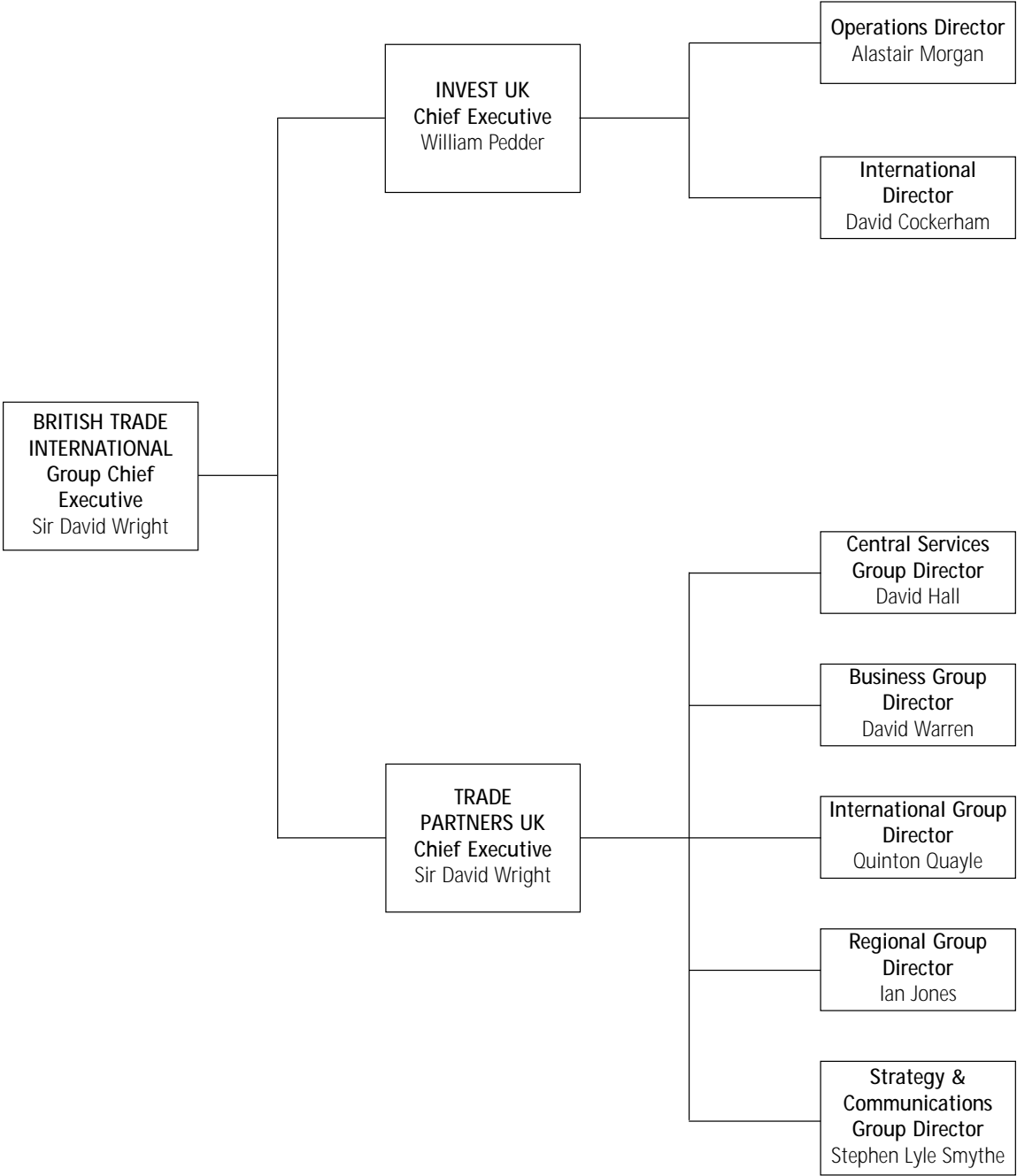
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AMEC plc.

Andrew Summers CMG
Chief Executive
Design Council

British Trade International Structure



Chapter 1

Introduction

International Trade

International trade is vital to the United Kingdom in stimulating the competitiveness of British business, and in contributing to prosperity through overseas earnings from the sale of goods and services, and investments abroad.

British Trade International, established in May 1999, brings together the work of the FCO and the DTI on trade development and promotion of inward investment. It aims to enhance the competitiveness of companies in the UK through overseas sales and investments, and to maintain a high level of inward direct investment.

British Trade International's two operating units, Trade Partners UK and Invest UK, are responsible for these activities respectively. Trade Partners UK was launched at the end of May 2000. Invest UK, formerly the Invest in Britain Bureau, was brought under the British Trade International umbrella in July 2000.

The entire organisation of British Trade International now combines:

- all trade development and promotion work undertaken in the English Regions by international trade teams, working with the Regional Development Agencies (RDAs), Small Business Service (SBS) and the Business Link network; as well as with many private sector partners;
- trade support services provided nationally;
- inward investment promotion work within the UK in collaboration with the national development agencies and the English RDAs;
- the commercial and inward investment work of embassies and other diplomatic posts; and
- national co-ordination across other government departments (OGDs), the devolved administrations and the English regions of trade development.

The Group Chief Executive, Sir David Wright, reports to the Secretary of State for Foreign and Commonwealth Affairs and the Secretary of State for Trade and Industry, and to the British Trade International Board. A majority of Board members are from the private sector. FCO and DTI Ministers serve as joint chairmen.

The activities and expenditure of British Trade International are covered in the Departmental Reports of the FCO and the DTI¹. This Report supplements that information.

International Collaboration and Partnership

Traditional distinctions between trade development and investment are changing as businesses seek different forms of partnership and collaborative working. Both Invest UK and Trade Partners UK are involved in promoting such arrangements. The *Opportunity for All in a World of Change* White Paper announced in February 2001 that British Trade International will:

¹ The work of British Trade International is also described in the DTI Expenditure Plans Report (Cm 5112) and the FCO Departmental Report (Cm 5110). March 2001. The Stationery Office

- drive a new global partnership programme with regional partners, to promote collaboration at home and overseas between UK firms and international partners;
- establish a new Enterprise Scholarship scheme for the brightest and best young graduates – particularly in high technology areas – who want to come to the UK to develop their careers and develop new business ventures here;
- encourage experienced UK entrepreneurs abroad to pursue innovative business ideas in the UK.
- Specific value added advice and information on markets, specific tariff rates and export regulations and a unique knowledge drawn from market-based staff at home and overseas;
- Sectoral advice, targeted on ensuring business sector co-ordination with OGDs;
- Political and economic advice, lobbying and access to key contacts through the overseas network of FCO posts;
- Export promoters and other specialist advice, usually from business people with practical experience of exporting who are seconded from the private sector.

Trade Partners UK Services

Trade Partners UK delivers a range of services to its customers including:

- Basic trade information – delivered via the www.tradepartners.gov.uk website and by market based staff;
- Gateway contact centre – utilising this website, the contact centre provides a single point of entry for customers seeking trade related help and advice;
- Access to information sources and data through the Trade Partners UK Information Centre – increasingly focused on providing access to electronic sources which Small and Medium Sized Enterprises (SMEs) would not otherwise be able to access;
- Tailored market information. Utilising their unique access to contacts and in-market knowledge, overseas staff produce tailor-made reports for UK companies covering sector specific information, information about agents and distributors, customised local contact lists, and market prospects. This service is chargeable, priced on the effort required to meet the customer requirement;
- Facilitating participation in overseas trade fairs and enabling visits and meetings for exporters travelling abroad, and supporting inward missions from country markets to the UK;

- Delivery of services primarily from OGDs or other agencies, such as language training, insurance services (ECGD) and assistance with technical information and standards;
- Promoting UK companies within markets and markets to UK companies through a series of events in UK and overseas – inward and outward missions, exhibitions, trade fairs and trade delegations.
- Giving guidance on the national, regional and local incentives available to encourage investment;
- Offering information about how to establish an operation in the UK including details of work permit regulations and immigration law;
- Providing contacts for key private sector companies and public sector organisations;
- Providing advice on worker availability and skills, component suppliers and sub-contractors;

Invest UK Services

Invest UK services include:

- Promoting the UK generally as a prime location for inward investment;
- Providing advice to potential inward investors on areas of the UK that best match their individual requirements;
- Arranging visit programmes to enable companies to view at first hand the advantages offered by a UK location;
- Advising on European markets, particularly the EU and its rules, together with other aspects of the operating environment;
- Maintaining dialogue with major investors already in the UK to encourage their successful development and expansion;
- Developing co-operation between the principal bodies engaged in inward investment promotion through its chairmanship of the Committee on Overseas Promotion.

British Trade International Programme Expenditure (£ million)

Resource Expenditure (DEL)	1999-00 Outturn	2000-01 Working Provision	2001-02 Plans	2002-03 Plans	2003-04 Plans
Trade Development and Promotion	56.5	68.6	66.8	70.8	72.8
<i>of which</i>					
(1) To provide firms with high quality, timely and accessible information to help them export and invest overseas.	-	12.7	12.4	13.1	13.5
(2) To help new, inexperienced and occasional exporters develop their potential export capability and as a result their competitiveness.	-	31.1	30.4	32.1	33.0
(3) To help firms experienced in exporting and investing abroad to exploit successfully trade and investment opportunities overseas.	-	16.2	15.9	16.8	17.2
(4) To provide more focused help in those markets and sectors, identified together with the private sector experts, as having strong potential for British business.	-	10.6	10.4	11.0	11.3
All receipts	-3.5	-2.0	-2.3	-2.2	-2.2
Inward Investment	15.3	18.3	18.1	18.7	19.7
<i>of which</i>					
(5) Grants to Regional Development Agencies	11.2	12.2	12.4	12.7	13.4
(6) Invest UK promotional expenditure	4.1	6.1	5.7	6.0	6.3
All receipts	0	0	0	0	0

- (i) It is not possible to break down 1999-00 outturn by the above objectives, as expenditure in 1999-00 was recorded against a previous set of objectives which does not allow a direct read across between the two.
- (ii) Distributions are approximate as some services serve more than one objective.
- (iii) All Trade Partners UK expenditure has been included under the four Trade Partners UK operational objectives. Trade Partners UK Objectives 5 and 6, concerning better co-ordination and professionalism, are primarily aimed at delivering the first four effectively.
- (iv) The breakdown of figures against objectives in the "Plans" columns is approximate. They reflect the same proportion of the total as the breakdown in the "2000-01 Working Provision" column. The proportions are expected to change given the continuing developing nature of the organisation.

Chapter 2

Delivering Better Public Services: Progress

Delivering Better Public Services

This chapter sets out what British Trade International intends to achieve by March 2004. It includes:

- Trade Partners UK's Objectives (Fig 2.1);
- Report on progress against Public Service Agreement – showing progress against previous objectives and targets for 1999/00 to 2001/02 (Fig 2.2);
- Performance Measurement – sets out how progress will be measured;
- Corporate Plan – reports how British Trade International plans to improve its performance (Fig 2.3);
- Aims and Objectives for 2001/02 to 2003/04 (Fig 2.4)

British Trade International has set challenging but realistic objectives and milestones. It will undertake a regular and systematic review of services in line with Government policy on Better Quality Services: and will benchmark services against those provided by other countries. The initial focus for benchmarking will be on Trade Partners UK service to customers. Trade Partners UK also participates in an informal networking and benchmarking group of European trade promotion bodies.

Public Service Agreement (PSA) Targets

British Trade International's Service Delivery Agreement¹ sets out key commitments, including its Public Service Agreement objectives and performance targets. British Trade International is developing, as part of its corporate planning process, a series of operational targets which complement and support these commitments. Performance against these operational targets will be reported in future Reports.

Figure 2.1

Trade Partners UK Objectives
To provide firms with high quality, timely and accessible information to help them export and invest overseas.
To help new, inexperienced and occasional exporters develop their potential export capability and as a result their competitiveness.
To help firms experienced in exporting and investing abroad to exploit trade and investment opportunities overseas.
To provide more focused help in those markets and sectors, identified together with private sector experts, as having particularly strong potential for British business.
To create a cohesive operation, involving other government departments, responsive to exporters, inward and outward investors, providing co-ordinated, cost-effective services to a consistent standard across British Trade International.
To encourage all staff engaged in British Trade International to achieve high standards of professionalism in services to British and overseas firms

1 http://www.tradepartners.gov.uk/who_we_are/service_delivery_agreement

Progress against PSA Targets for 1999–00 to 2001–02

British Trade International inherited the joint DTI/FCO targets (see Fig 2.2 below).

Figure 2.2 – Progress against 1999–00 to 2001–02 PSA Targets

PSA Performance Target	Performance Indicator	Baseline target	Latest Outturn Position
To improve support for exporters, raise the quality of service, generate additional exports, and enhance the business of image of the UK	The number of firms who adjust their approach to exporting as a result of assistance	Baseline set at 50%	56.1% Jan – Dec 2000 outturn
	The percentage of firms using the targeted market information service who express satisfaction with it.	Baseline set at 70%	95% satisfied, of whom 73% very satisfied Jan – Mar 2000 outturn.
	The value of additional business in overseas infrastructure and energy projects for every £1 of DTI/FCO expenditure	Baseline set at £100 of additional business for every £1 of expenditure	£379 per £1 Jan – Sep 2000 outturn.
	The value of additional exports generated for each £1 of DTI/FCO expenditure	Baseline set at £20 of additional exports per £1 expenditure	No reliable figures relating to the original target are available.
	Survey opinion before and after HMG-funded events. (This relates to foreign perceptions of UK business and is confined to major 'image' events.	45% baseline set at start of event	80% of visitors to the British Pavilion at Expo 2000 in Hanover registered an improvement in their perception of the UK; 50% registered a significant improvement.
To maintain the UK as the prime location in Europe for foreign direct investment	By reference to independent survey data	Prime location	The UK was first for EU stock of FDI in 1997 (UNCTAD World Investment Report 1988)

Performance Measurement

To make Trade Partners UK services more effective and more efficient, it needs to:

- **measure the impact of services on customers' business performance, and demonstrate how far Trade Partners UK has achieved its goal of enhancing competitiveness;**
- **have customer feedback to assess the effectiveness of services;**
- **manage its delivery network in the UK and overseas;**
- **monitor the consistency and quality of advice to customers and performance against service standards**

A new performance measurement system will be introduced in April 2001. Performance will be monitored regularly using market research, mystery shopping and a variety of other new measurement systems.

For Invest UK, performance measurement is conducted by feedback questionnaire with clients, with periodic sample testing by independent consultants.

Figure 2.3

Corporate Plan 2001-2004

British Trade International is developing its first corporate plan to cover the years 2001 to 2004. It will focus on:

- Retaining the UK's No.1 position for attracting foreign direct investment into the EU.
- Providing a top-class trade information service for all UK firms
- Developing new exporters through launch of a new trade development package
- Providing more focused help in those markets and sectors, identified together with private sector experts as having strong potential for British business.
- Improving the quality and consistency of service to customers at home and overseas and broaden electronic access to services.

These priorities will be supported by the investment of £20m over three years in improving our information and communications technology infrastructure with a view to providing high quality online access to all services for our customers and more effective support for our staff at home and overseas.

Figure 2.4 – Aims and Objectives 2001– 02 to 2003 – 04

PSA Performance Target	Performance Indicator	Baseline target	Latest Outturn Position
Enhanced competitiveness of companies in the UK through overseas sales and investments; and a continuing high level of quality foreign direct investment	Deliver a measurable improvement in the business performance of Trade Partners UK customers	At least 15% of new-to-export firms assisted improving their business performance within 2 years	New measures are being developed. Data will be collected to measure the impact of our services on various aspects of business performance. Data will also be compiled in co-operation with the Small Business Service using customers and a control group.
		At least 50% of established exporters assisted improving their business performance with 2 years	
		At least 80% of firms receiving assistance win major overseas projects reporting that Trade Partners UK's help was a significant factor	
	Maintain the UK as the prime location in the EU for foreign direct investment (FDI)	Trends in the UK stock of foreign direct investment in each three year period to be more positive than that of our EU competitors	As recorded in the latest UNCTAD World Investment Report.

Chapter 3

Inward Investment

Invest UK

Invest UK is a business service organisation, which promotes the benefits of the UK as the first choice for investment in Europe to potential investors, identifies and approaches potential investors, and assists them with all aspects of locating and expanding in the UK.

Invest UK's principal objectives are to attract, retain and add value to UK inward investment.

Diplomatic posts overseas are the spearhead of in-market marketing and promotion work to generate new inward investment opportunities, supported by corporate and major event handling from London. Invest UK is also responsible for managing the national investor development programme, focussing on the needs of existing inward investors. Invest UK is represented in over 35 cities around the world. The work involves contact at the most senior level with companies, who are actual and potential investors in the UK.

The UNCTAD World Investment Report 2000 confirmed that the UK retains the largest percentage of accumulated foreign direct investment in the EU: the percentage went up from 19% in 1995 to 24% in 1999.

In July 2000 the then Invest in Britain Bureau moved alongside Trade Partners UK within British Trade International recognising the clear synergies for closer working.

In June 2000 a major review of the Invest in Britain Bureau corporate identity was completed. Ministers agreed that the new name of Invest in Britain Bureau should be Invest UK. This very significant re-branding,

developed for the specific purpose of presenting the focus on winning higher quality and value, knowledge-driven, inward investment projects for the UK, was launched on 5 July 2000.

Record inward investment results were announced at the launch on 5 July 2000 of Invest UK's Review of Operations for 1999-2000. 757 inward investment decisions were notified to Invest UK in 1999-2000, expecting to create over 52,000 new jobs.

Thirty-four per cent of all these investment projects, creating or safeguarding around 60,000 jobs, were from companies with an existing presence in the UK. Invest UK therefore continued to develop the national programme of investor development, to provide added value support to existing investors and find ways of matching and exceeding their expectations and needs. By November 2000 the national programme included 127 companies whilst the programmes of the Development Agencies cover an additional 350. Figure at 3.1 below lists a number of successes.

Figure 3.1

Company	Country	New Jobs	Description	Sector
Capital One	US	1,209	Customer service centre in Nottingham	Financial services (credit cards)
Nortel Networks	Canada	1,300	R&D centres in New Southgate & Harlow	Telecoms (fibre optics)
The Gap	US	750	Web-enabled distribution centre in Rugby	Leisurewear
Visteon	US	400	UK HQ and technical centre in Basildon	Automotive components
Hunter Marine	US	200	Luxury yacht manufacturing in Portland	Marine
Bertelsman AG	Germany	349	Customer service centre	Media/IT/automotive
Nameplanet.Com	Norway	150	Internet services	e-commerce
Samsung Data Systems	South Korea	170	Software and e-business development	e-commerce
Pentasoftware Technologies	India	50	Software development	IT
NTT DoCoMo	Japan	20	Third generation mobile services	Telecoms

The Government's Competitiveness White Paper of December 1998 – *Building the Knowledge-Driven Economy* – set the challenge of closing the performance gap against our competitors, and the re-branding announced in July 2000 was designed to help meet that challenge.

The specific challenge ahead for Invest UK, expressed in its PSA Target, will be to maintain the UK's position as the No 1 location in Europe for inward investment. But this will not be easy.

Invest UK's Review of Operations launched on 5 July 2000 mentioned how information and investment can "shoot round the globe at the press of a button". The nature of internationally mobile inward investment projects is changing and the competition becoming more intense. It will become increasingly difficult to attract and retain foreign investment. The UK must therefore compete by exploiting capabilities, which its competitors cannot easily match. That is why the re-branding announced in July was designed to focus on the knowledge-driven projects that will increase these capabilities.

Figure 3.2 – Invest UK Projects: 1999–2000

Country	Projects	Total Associated Jobs
USA	363	67,991
Germany	63	8,982
Japan	58	11,401
Canada	48	10,390
France	47	14,639
Irish Republic	22	1,445
Sweden	19	1,873
Netherlands	17	1,875
Australia	13	1,280
South Africa	13	3,265
Rest of EU	41	4,000
Others	53	7,053
Total	757	134,194

Figure 3.3 – Inward Investment Cases and Effects on UK Jobs

	1997-1998	1998-1999	1999-2000
INVEST-UK			
Number of active cases	687	789	604
Number of inward investment decisions in which INUK was significantly involved	121	122	145
Number of new jobs created	12,493	15,165	15,519
No of jobs safeguarded	4,361	2,413	6,704
NATIONAL FIGURES			
Number of inward investment decisions	618	652	757
Number of new jobs created	45,937	44,413	52,783
Number of jobs safeguarded	78,685	74,340	81,411

o

Chapter 4

Information for Exporters

To provide firms with high quality, timely and accessible information to help them export and invest overseas

Having the latest information about international markets, and how to do business in them, enables companies to exploit opportunities successfully and effectively.

The Customer

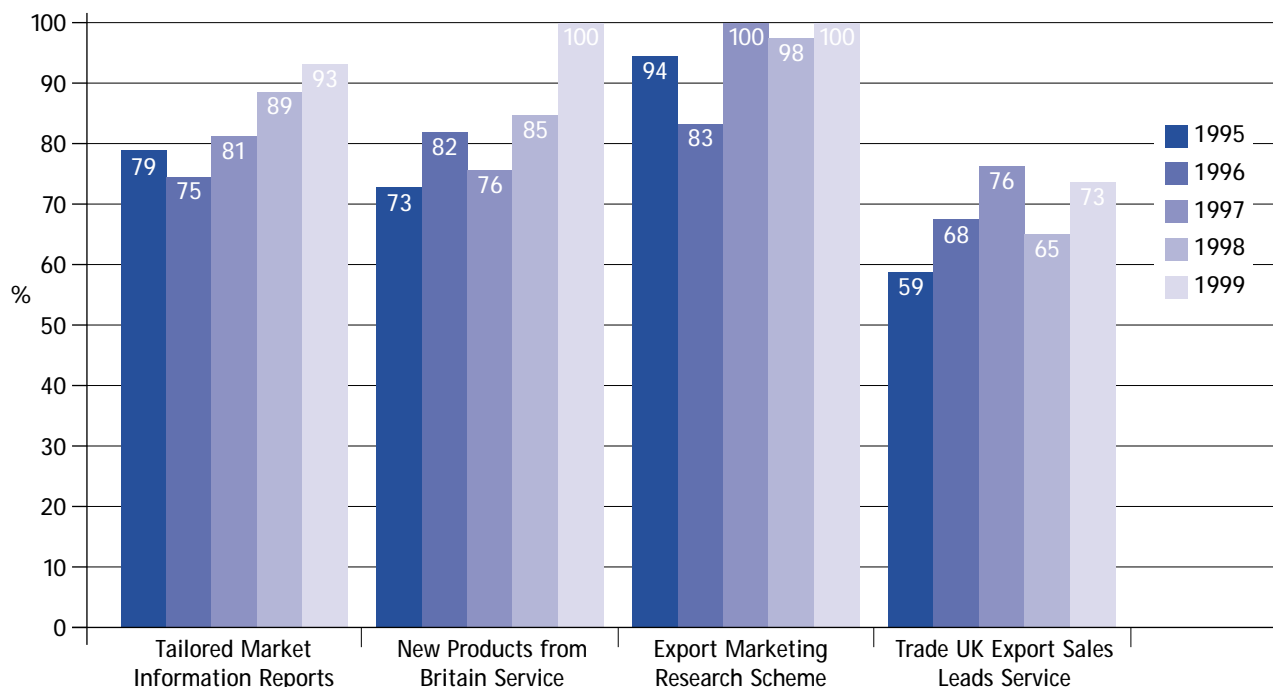
The main customers are UK businesses, who can access services globally. Trade Partners UK's performance and quality measurement system reports high levels of satisfaction with individual services but Trade Partners UK lacks sufficient information to allow for more effective follow-up and further development of its services.

Coherent customer management arrangements are being developed to enable Trade Partners UK to have a clear picture of those seeking help and their requirements. Understanding their needs will help target services for maximum value.

To motivate and develop those businesses which could be more competitive by trading internationally, Trade Partners UK will develop a strategy for identifying those non-exporting firms with the potential to succeed in international business. This strategy will combine general awareness of the Trade Partners UK brand by working with those in the public and private sector with whom businesses have contact. The strengthening of regional and local networks will help the process of working together with other players. Improvements to the Trade Partners UK website (see page 21) and increased relationships with other sites help increase awareness among UK and overseas businesses and those providing them with other support services.

Customer surveys show a high level of satisfaction with its services (Figures 4.1 and 4.2 below), Trade Partners UK is improving measurement systems of customer satisfaction and performance to spread best practice.

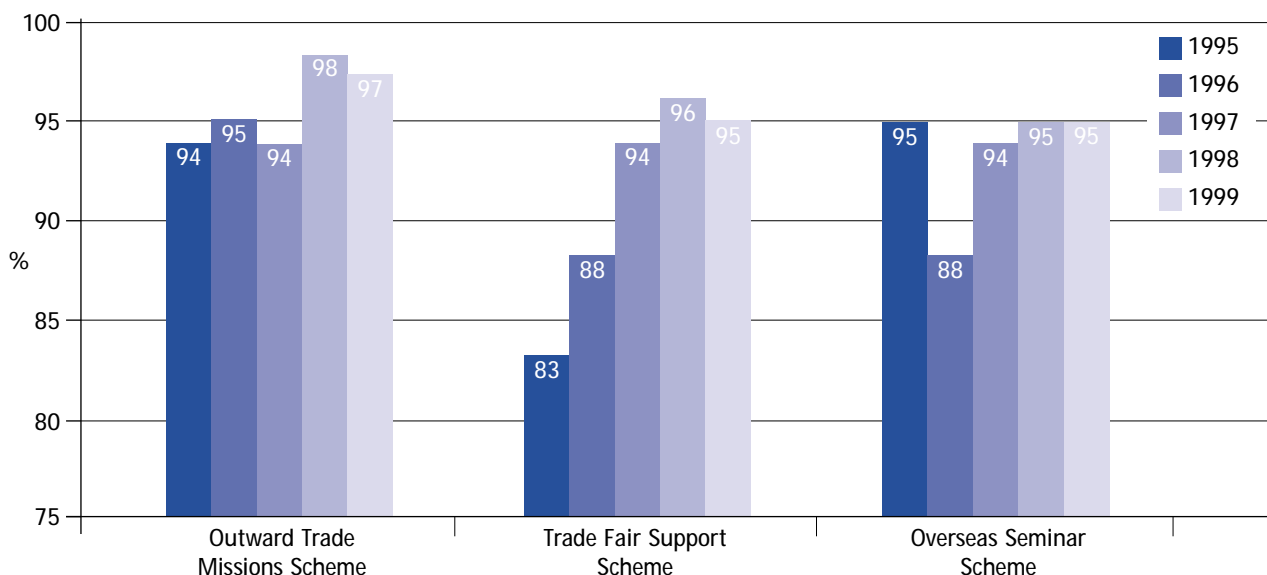
Fig 4.1 – Customer Satisfaction Ratings for Advice and Information Services



Compiled from data obtained from the Quality Management System conducted on behalf of Trade Partners UK. The Tailored Market Information service was introduced in 1997. Ratings shown for previous years are the averages for the Market Information Enquiry, Export Representative and the Overseas Status Report services which it encompassed.

The Trade UK Export Sales Leads Service replaced the Export Intelligence Service in 1998. Ratings for 1997 reflect the first half-year only; the composition methodology changed in July 1997.

Fig 4.2 – Customer Satisfaction Ratings – Promotional Services



Compiled from data obtained from the Quality Management System conducted on behalf of Trade Partners UK. The Trade Fair Support and Overseas Seminar Schemes were encompassed by Support for Exhibitions and Seminars Abroad in 1999.

1997 ratings reflect the first half-year only; the composition methodology changed in July 1997. 1999 ratings reflect the period April-December 1999.

Electronic Delivery

Using new technology to deliver improved services to customers was a major theme of the national launch in May 2000. For example, the TradeUK export sales lead service launched in 1998 shows that electronic delivery can generate major benefits to customers. Registered users of the service have grown from nearly 13,000 to over 16,500 during 2000; and the number of leads generated overseas has increased from 1,600 to over 2,000 per month over the same period. In October 2000 a new type of lead – to B2B sites overseas – was introduced and over 100 have already been passed to customers. This new service, along with personalised web pages, has been warmly welcomed. A full assessment of the service is planned for 2001.

A new website – www.tradepartners.gov.uk – was introduced in May 2000 to provide a new Gateway to the Trade Partners UK network. It provides round the clock access to all basic market and sector information, and to Trade Partners UK services and other sources of trade information. A major exercise to increase “sector in market” information went “live” in early 2001. A modified Home Page and improved features – based on feedback – will also be implemented then. Since the launch of the new website the average number of “hits” each month has been increasing steadily, reaching about 50,000 per month. The number of pages viewed has more than doubled since launch, reaching a monthly average of 336,000

In conjunction with the website launch in May 2000, Trade Partners UK established a new Enquiry Unit to provide customers with a single access point. The Unit now handles over 1,200 enquiries a week – by telephone and by e-mail.

British Trade International's capital investment strategy embraces over 25 projects over a three-year period with the emphasis on enhancing e-delivery capabilities to improve services.

Information Age Government

British Trade International received £20m in the 2000 Spending Review to invest in information and communication technologies (ICT) to deliver global services. Figure 4.3 provides a detailed breakdown of the planned expenditure over the period 2001-2004. The funds will be channelled via DTI and FCO.

British Trade International has prepared its own ICT investment strategy explaining in detail the projects that will be implemented:

[http://www.tradepartners.gov.uk/who we are/dis/departmental investment strategy.shtml](http://www.tradepartners.gov.uk/who%20we%20are/dis/departmental%20investment%20strategy.shtml)
Details are also given in the e-business strategy ([http://www.tradepartners.gov.uk/who we are/e-business/e-business strategy.shtml](http://www.tradepartners.gov.uk/who%20we%20are/e-business/e-business%20strategy.shtml))

Figure 4.3 – Capital Spending Allocations 2001-2004 £ million

British Trade International Capital Spending	2001-2002 Plans	2002-2003 Plans	2003-2004 Plans
DTI funding	£5m	£3m	£3m
FCO funding*	£5m	£3.55m	£0m
Total	£10m	£6.55m	£3m

*the FCO is also providing £1.2 million pa for all three FY's in admin funds specifically to support the capital programme.

Chapter 5

New Exporters

To help new inexperienced and occasional exporters develop their potential export capability and as a result their competitiveness

More than 150,000 British firms trade goods and services internationally. But many more companies have products, services and skills, which could find them ready customers overseas. A key part of Trade Partners UK's remit is to help such firms develop their skills for international business and to take their first steps into overseas markets.

The February 2001 White Paper *Opportunity for All in a World of Change* announced a national programme to help new exporters develop the skills they need for international business; and the simplification of services for new exporters.

Regional and Local Delivery

An International Trade Director (ITD) heads the Trade Partners UK regional team in each of the nine English regions. The ITDs were recruited during 2000, almost all with private sector and international trade experience, to strengthen the regional and local networks. They work through the Regional International Trade Fora to improve the co-ordination of all international trade related activities within the region and ensure that available resources are used effectively. Each Forum is responsible for developing, reviewing and delivering the Regional International Trade Strategy. This document, consistent with the RDAs' Regional Economic Strategy, will inform the business plans of the International Trade Teams at local level and influence the work of Trade Partners UK at both regional and national level. Trade Partners UK has, therefore, contributed to these strategies and their action plans.

The ITDs work closely with the Chief Executives of the Business Links where the International Trade Teams (ITTs) are based. With partners, they are improving the services available to customers. The ITTs are made up of both experienced private sector people and civil servants. They work to business plans agreed with the ITD. The strategic and the operational aspects of international trade related business support are brought together in this way.

Trade Partners UK's key regional and local partners include the RDAs; the Government Offices; the Chambers of Commerce and Export Clubs.

The Small Business Service (SBS) and Trade Partners UK work particularly closely together. The SBS is responsible for the new Business Links that come into operation from April 2001. Trade Partners UK is fully engaged in this planning process.

Increasing the number of people recruited from the private sector to strengthen the local International Trade Teams in the Business Links has started. Trade Partners UK is also increasing awareness of services on offer to business. A special effort is being made to reach potential exporters.

A Regional Case Study

Trade Partners UK helps companies through schemes like the **Export Explorer**. In the East of England, David Earp, a member of the International Trade Team, Cambridgeshire, worked with **Amina Technologies Ltd**, in Huntingdon, to refine a detailed specification of their agent requirements. These were sent to the British Embassy at Stockholm to identify potential agents.

Mike Gavin, Export Sales Manager, for **Amina Technologies Ltd** explains

“They made telephone calls to everyone on the lists, sometimes three or more calls until they obtained the right person’s name and other relevant details. This meant each prospect was ready and waiting to confirm an appointment. This saved me an enormous amount of time as I had only to make 20 or so calls, instead of the hundreds I had expected.”

Trade Development

Progress has been made during the year on what is to be delivered for new exporters.

Trade Partners UK identified a gap in the provision of effective support for new exporters. The main concern was that, while many excellent schemes existed around the country, there was insufficient emphasis on the need to ensure that businesses were properly prepared to enter international markets and little indication of effective follow-up to ensure that the impact of schemes was monitored.

Trade Partners UK is responding by launching a package of regionally delivered support for new exporters that fits within a consistent national framework. This package will be assessed against national quality standards.

It is important that potential exporters can quickly and easily find the help they need. Trade Partners UK has developed a self-diagnostic tool available on its website. This links customers to a database of information providers (including the private sector) and signposts the diverse range of help for newcomers – from information and advice, through special schemes such as Export Explorer, to tailored market reports and help to exhibit at trade fairs.

New Exporters

The existing **Export Explorer** is an integrated package of help and advice that enables SMEs to experience new and accessible export markets at minimal cost. In May 2000 the one-thousandth company to participate in an

Export Explorer mission returned with firm orders for its product.

One **Export Explorer** participant won a £100,000 order to sell a frozen drink to **Iceland**. The same company is now using the Explorer programme to break into the **Danish** market.

An extension to **Export Explorer** was launched in August 2000. This will build on its achievements but in new markets and for the more experienced exporter. The programme will run twenty-one missions to **Germany, France** and **Spain**, to help companies establish contacts.

For those inexperienced exporters looking to approach the **USA** and **Canada** markets, there are two specific schemes, **Export USA** and **Export Canada** (see page 33).

EU Funding

Trade Partners UK works with local and regional partners to access EU Structural Funds. The first steps were to raise awareness of the potential of these funds to help SMEs. There is now a greater level of interest to enhance and complement services through EU funding. Guidance has been drawn up on the appraisal and assessment of schemes.

By educating staff and promoting the benefits of accessing EU funding for SMEs, the process of taking advantage of EU funding is underway. There are several pilot schemes across England. For example, the European Commission has recently approved a project in Yorkshire and the Humber.

Chapter 6

Experienced Exporters

To help firms experienced in exporting and investing abroad to exploit successfully trade and investment opportunities overseas

Trade Partners UK's services cater for manufacturers and service companies, and for exporters and outward investors alike. Trade Partners UK has a unique global service to provide first-class support.

Overseas Support

Overseas support is provided in over 200 diplomatic posts overseas. The main challenge during the year has focused on a unified market strategy and in developing joint objectives and targets.

Objectives and targets were sent to all overseas teams in June 2000. Targets covered the main services to British business:

- **responding promptly to enquiries;**
- **providing sales leads;**
- **providing a more than satisfactory service to companies on outward trade missions and at trade fairs and exhibitions.**

Business plans have been introduced for the top 40 key markets (75% of overseas resources). The plans provide managers with a valuable tool to focus on work programmes, targets, outputs and the resources required to achieve them.

An Overseas Case Study

The overseas team in Bangkok developed an understanding of the needs of one of **Thailand's** major conglomerates to match their requirements to those of British firms.

A ministerial visit to **Thailand** identified the conglomerate's current requirements. Visits to the UK were organised for key company representatives to meet suitable British firms. This has resulted in a series of relationships with British firms and several contracts – including a major investment by one of the British companies.

A joint venture was signed between **Orange** and **Thailand's CP Group** in September 2000, to create a mobile telephone network in Thailand. British companies are among those now seeking to become involved in implementing the project.

A programme of overseas reviews ensures that teams are suitably resourced to meet objectives and targets and that they are properly managed and deployed. Reviews have been carried out in 11 markets including **South Africa**, **Russia** and **China**. The reviews improve commercial work management through best practice as well as the consistency and speed of service to customers.

Best Practice

As part of the drive to improve consistency and promote best practice, a bi-annual Best Practice Award Scheme was introduced for overseas teams. Over 120 Best Practice nominations were received with three winners receiving cash prizes. A Best Practice manual is being produced for overseas teams and relevant training courses (see page 46).

During the year, overseas teams produced approximately 3,500 Tailored Market Information Reports at the request of British firms. They also had meetings with more than 16,500 British Business Visitors during which they advised on market conditions and specific opportunities and where appropriate follow-up with relevant lobbying of local contacts. For companies pursuing major projects, the role of the overseas teams can be critical. They are well placed to advise on local political and economic issues and keep firms informed about developments in the market both before and during the bidding stage. They also highlight the strengths of the British bidder.

Teams in **Mexico**, **Thailand** and **Vietnam** have started Investment Mentoring schemes. The schemes match British firms interested in investing with others already based in the market. The experienced company will pass on the benefit of its knowledge to the newcomer. The schemes are run jointly with the local British Chamber of Commerce or British Business Group. The idea is simple and effective, creating support networks at the crucial, early stage of entering a market. **The Enterprise Initiative: India** offers a UK-based mentoring as part of a wider scheme, and an investment roundtable has been developed in the **Czech Republic**.

Exhibitions and Trade Missions

The **Support for Exhibitions and Seminars Abroad Scheme (SESA)** helps new exporters establish themselves in markets abroad. The scheme helps towards the costs of exhibiting at overseas trade shows, or taking part in targeted seminars.

The most recent performance measurement of the scheme in September 2000 gave a 97% satisfaction rate for trade fairs, and 96% for seminars, with over two-thirds of Trade Fair participants obtaining new export orders as a result.

Most companies take part in a supported group not just because of the financial help, but because of the higher profile received by being part of a British group.

Additional support to exporters is available through the **Inward Mission Scheme**, which matches industry funding to bring foreign buyers and journalists into the UK. Inward missions often coincide with major UK trade fairs, such as the Royal Agricultural Show, to maximise the number of British companies available for visitors.

Inward Missions

One such delegation from US sailboat manufacturers, **Hunter Marine**, have decided to locate on the ex-MOD site in Portland, Dorset, despite strong competition from Spain and Ireland.

The factory will build mid-range sailing cruisers for the European market and initially will provide 150 jobs.

Hunter Marine will be able to benefit from the well-established UK marine supply chain and other resources available to the UK production operation in the area. Their decision has been strongly influenced by the commitment and investment that government, in partnership with local development agencies, has given help with training, export development, UK supply chain identification and major redevelopment in the area.

These exhibition and mission schemes are of long standing and continue to be popular with UK industry. But as work on performance measurement and trade development proceeds, Trade Partners UK is reviewing them with the intention of ensuring that they support company and sectoral strategies more closely, and that companies taking part are better prepared, and their participation more systematically followed up.

The numbers of firms supported at overseas trade fairs, seminars, and missions are summarised in Figure 6.1.

Figure 6.1 – Numbers of firms supported in trade fairs, missions and seminars

	1998-99	1999-00	2000-01 Estimate	2001-02 Plans	2002-03 Plans	2003-04 Plans
Trade Fairs	6890	7229	8710	8000*	8000*	8000*
Overseas Seminars	189	392	450	800*	800**	800*
Outward Missions	3658	3393	3963	3950**	3950**	3950**
Inward missions (number of visitors)	559	638	600	600*	600*	600*

* Number of supported firms is dependent on budget allocation, which is not expected to increase over the next three years

** Forecasts dependent on outcome of Review of Outward Missions Scheme (Spring 2001)

Multilateral Development Institutions

Trade Partners UK focuses on exporters new to the aid-funded market and on exporters who want to improve their performance. Frontline work helps business understand how the multilateral development institutions work by focusing on sectors and on potential business opportunities. Trade Partners UK produces a range of guides on organisations such as the World Bank, the Asian Development Bank, the United Nations, and on the European Commission's External Aid programmes. Trade Partners UK also supports these with well targeted trade development events. These included a seminar on EU accession aid, covering transport, environment and agricultural opportunities arising out of EU policies towards European enlargement.

Trade Partners UK also helps businesses improve their knowledge of procurement procedures and their international tendering techniques. It has organised specialist workshops on procurement and tendering with the international organisations above. Trade Partners UK also organised a mission to Rome in November 2000 for UK agricultural companies to meet the UN's agricultural procurement officers.

Work with International Financial Services London (formerly British Invisibles) has helped the financial sector become more involved in co-financing of projects with development banks in developing markets. This included a seminar in the City in February 2000, where both the Secretary of State for International Development and the President of the Asian Development Bank were keynote speakers. Trade Partners UK representatives from Brussels, Geneva, Washington and New York attended the above events to help UK firms' ability to secure aid-funded business.

The following projects are examples of UK business success in overseas markets.

INFRASTRUCTURE PROJECTS

Kosovo

Innogy (part of National Power) is leading a consortium to refurbish one of the 680MW units at the Kosovo B power station. Other consortium members are Alstom and Mitsui Babcock. The £20m contract award by the European Agency for Reconstruction was announced in June 2000. At the time this was the largest civil contract awarded in Kosovo. This success followed the Minister for Trade's visit to Kosovo in June 2000.

Belgium and Germany

Trade Partners UK has advised P&O Ports from the outset in winning contracts to develop new port terminals at Antwerp and Duisberg. It has contributed at both official and senior political levels. The contract value is £120m, of which the UK content is £100m.

Ivory Coast

A UK led consortium consisting of TCI Corporation Ltd, P&O NedLloyd and Christiani Nielsen won a contract with the State of Cote d'Ivoire to develop a new container terminal, infrastructure free zone and telecommunications gateway at the Port of Abidjan. The value of this project is £132m with a UK content of approximately £80m.

Jamaica

With extensive help from Trade Partners UK, Kier International and Mabey & Johnson won a contract to build road flyovers in Jamaica. The UK content of the work is £17m.

Romania

Trade Partners UK's assistance to a consortium of Mivan Ltd and Kier International helped them win a contract worth £108 million to provide low cost social housing apartments and water services to villages in Romania. Trade Partners UK also worked with ECGD on the provision of cover for the contract. The project will bring benefits to many ordinary Romanians and provide an important export order for Northern Ireland where Mivan is based.

Switzerland

The AlpTransit project is the most valuable railway project in the world, valued at £7 billion. This year Balfour Beatty, in consortium with local firms, have won two contracts valued at a total of £54 million to construct 2 of the 9 sections of rail tunnels through the Alps.

Hong Kong

During the past 18 months civil engineering contractor AMEC plc have won contracts valued at over £525 million in Hong Kong. Contractor Balfour Beatty won the Nam Cheong station contract valued at £102 million, while Kier have been awarded the £80 million contract to construct the Tseun Wan station.

China

In December 2000 a UK consortium consisting of Ove Arup, Llewellyn Davis and BA Speedwing won the design contract for the new Chongqing airport terminal. Additional scope includes the improvement of freight services, communications/navigation systems, oil supply and upgrading of runway and airside facilities. The overall projects is worth around £200m. It is hoped that the UK content will be £40 – £50m. Ove Arup are negotiating the final details/scope with the client. Trade Partners UK played a large part in helping the company win this project.

Chapter 7

Markets and Sectors

To provide more focused help in those markets and sectors, identified together with the private sector experts, as having strong potential for British business.

Through its business advisory group structure, Trade Partners UK's trade support services draw on government's global networks to identify priority markets and sectors where government assistance adds most value.

Target Markets

Target Markets

For new and inexperienced exporters, the focus is on:

Western Europe, USA and Canada

For more experienced exporters and investors, the priorities are:

Brazil

China (including Hong Kong)

Czech Republic

Egypt

Hungary

India

Japan

Mexico

Poland

South Africa

Taiwan

Turkey

Export USA gives SMEs the knowledge and confidence to compete in the USA. Since April 2000, 40 companies have been accepted on **Export USA**. A total of approximately 200 companies have been involved in the programme.

Over 180 companies have been briefed on **Export Canada** (a similar initiative to **Export USA**) with 21 applications at various stages in the programme.

Building on the experience of these two programmes a new, pick and mix package has been piloted for companies interested in the North American markets.

A development package for more experienced exporters, **Export Initiative: India**, attracted interest from over 350 companies in its first year.

Most of the existing Target Markets are now coming to the end of their three year programmes. Therefore, towards the end of 2000, Trade Partners UK initiated a consultation process to select new Target Markets. The final decision will be taken by Ministers and the British Trade International Board and the results announced in Spring 2001.

Help to experienced exporters meets a wide range of customer needs. From the straightforward provision of information for the new website, through detailed advice in response to specific enquiries to lobbying overseas on behalf of UK companies. Increasingly, the aim is to adopt a flexible approach, addressing customer needs as closely as possible.

Ministerial visits continue to play an important part in the success of British companies overseas. For example, the Deputy Prime Minister, Secretary of State for Trade and Industry and Minister for Construction each led business delegations to Brazil in 2000. The Secretary of State for Trade and Industry also made a similar visit to India in January 2001. In total, there were over 30 trade-related overseas Ministerial visits.

Brazil

This past year saw the largest ever programme of exhibitions, missions and seminars. In October 2000, over 120 companies were recruited for the Rio Oil & Gas Show, the largest ever British group at a trade fair in Latin America.

One company at that exhibition – **Briggs Marine Environmental Services Limited** – led a British-Brazilian consortium which won a contract, worth over £50 million, to set up a network of nine oil spill response centres throughout Brazil.

A Task Force Case Study – Federal Republic of Yugoslavia

A joint HMG/private sector Task Force was quickly established in October 2000 to co-ordinate the UK response to the reconstruction programmes. The Task Force was modelled on the successful Kosovo Task Force as a direct result of which:

- a team drawn from the membership of the Trade Partners UK Power Sector Working Group managed the power system over the critical winter months in 1999/2000.
- A British led consortium secured a £20m contract to rehabilitate a power station

Following the Federal Republic of Yugoslavia taskforce, **AMEC plc** was asked to give an overall assessment of energy needs in **Yugoslavia**.

Sector Partnerships

In developing a sector partnership approach, Trade Partners UK has built teams across Whitehall, to ensure that implementation policy is inclusive and strategic.

Sector strategies have been prepared with business. Together with the list of target markets, they will replace the markets and sectors matrix for future targeting of activity. The matrix was revised during 2000 to highlight sectors and markets of increased activity. It will also inform customers about the potential and the levels of demand by sector and market.

Major Sporting Events

Trade Partners UK also recognises the importance of major sporting events as a target sector, taking 90 SMEs to **Greece** over two days for a networking conference with 175 Greek companies. Over 300 one to one meetings took place with the purpose of forming strategic alliances to increase opportunities of obtaining some of the US\$ 1.6 billion worth of business that will flow from the staging of the **Athens 2004 Olympic Games**.

Trade partners UK also helps companies benefit from opportunities that cut across sectors. Eighteen companies participated in a cross-sector mission to target opportunities arising from **Euro 2004**. One participant, **Venue Revenue Services Ltd**, secured orders worth £1.5 million through the supply of a giant video screen.

Similarly, Trade Partners UK is playing an active part with the Manchester Investment and Development Agency (MIDAS) to maximise the commercial benefits from the **2002 Commonwealth Games**.

The future strategy will continue to tighten the targeting of activity in those markets and sectors with most potential. However, this approach will be applied with sufficient flexibility to ensure Trade Partners UK responds to opportunities and rapidly changing circumstances.

Trade Partners UK works with trade associations to identify those areas where training needs to be targeted. The purpose of the courses is to increase the export knowledge and proficiency of trade associations, enabling them to pass this on to their members. Since April 2000, there have been 5 courses for 65 delegates. Feedback has

shown that the courses achieved their objective and enhanced the delegates' knowledge. A further series of courses is planned.

Trade Partners UK has pages on its website dedicated to trade associations activity. These have been developed in tandem with trade associations to ensure they deliver the necessary help and information.

Education and Training

Education and Training is a sector in which the market is huge and expanding in both developed and developing countries.

The Education and Training Export Group (ETEG) is the sectoral Business Advisory Group, dedicated to advising government on support for UK education and training exports.

ETEG believes that the UK has a real opportunity to win business in export markets. ETEG encourages British companies in all industrial sectors to include an education and training package in their overseas business strategies. Specially devised training can make a real difference to exporting success.

Trade Partners UK announced a three-year extension of the British Overseas Industrial Placement (BOND) scheme, an initiative managed by the British Council. BOND helps UK companies make low-cost introductions to potential business partners in certain key developing overseas markets and sectors. High quality young professionals are matched to the needs of British companies and assigned to those companies for periods up to twelve months to carry out specific projects.

During the year, a Trade Partners UK study looked at the export performance of ten industry sectors. The study assessed the sectors against examples of best practice. It involved research with industry, trade associations and government departments with sectoral responsibilities. It subsequently produced a template for similar research into the remaining seventeen sectors defined by the Markets and Sectors matrix. Two key recommendations of the report were that sectors should have a focal point for liaison with government on export matters and that sectors should develop export strategies. Trade Partners UK is working with interested private and public sector bodies to implement these recommendations.

A sector partnership fund helps sectors achieve the best practice identified in the study. The fund helps sectors to conduct benchmarking studies, establish effective sector focal points and implement other best practice recommended in the study. Two bids have so far been approved with two others pending approval totalling £240,000.

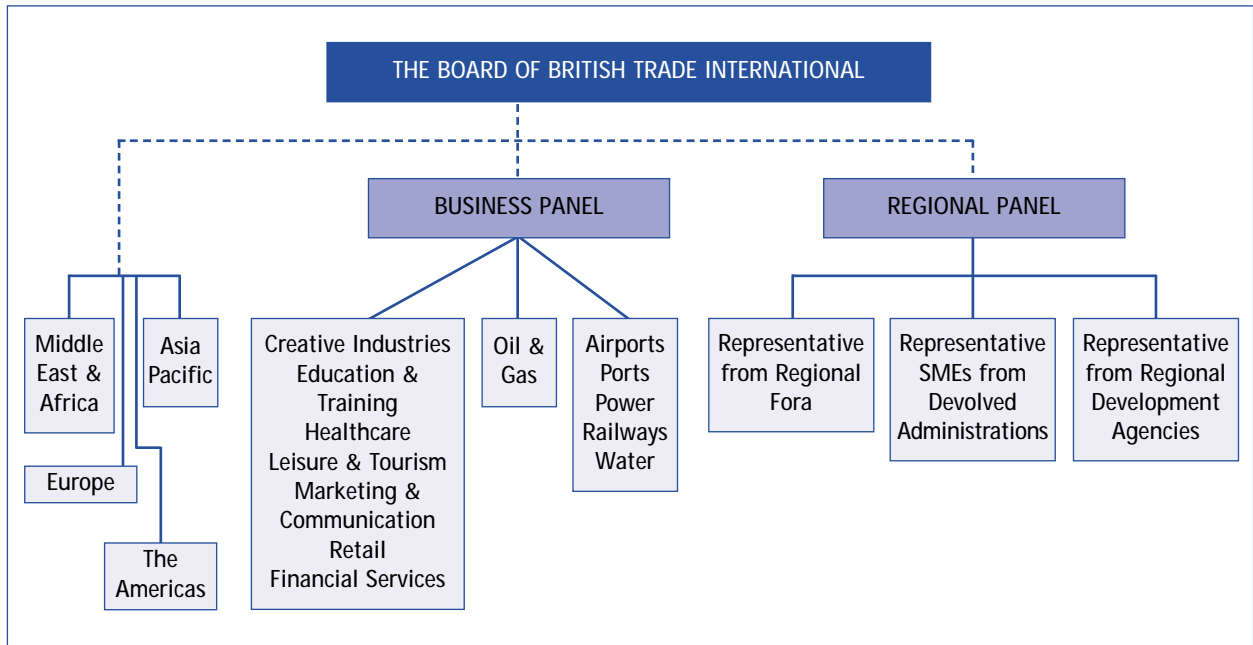
Business Advice

British Trade International is advised by a Board and by a number of specialist advisory groups. A review of the groups, concluded in March 2000, has led to a restructuring of the groups, focusing strategically on overseas markets and British business sectors. The new advisory groups' activities support Trade Partners UK's aim to work closely with business in the creation and development of services for exporters.

The new structure (Figure 7.1) provides effective advice. At its core are large geographical, and sector and regional advisory groups to look at developments across a broad geographical, sectoral or regional area. Below this, time-limited associate groups can be established to carry out specific tasks. Key group objectives cover the provision of advice on: key market / sector / regional priorities; co-ordinating strategies; maximising commercial opportunities; optimising deployment of resources; and monitoring performance. High-level strategic input is provided by senior industrialists who serve on the business advisory and regional panels.

The new advisory groups have been categorised as Lower Tier Advisory Non-Departmental Public Bodies (ANDPB). Appointments to the groups are therefore subject to guidelines issued by the Office of the Commissioner for Public Appointments (OCPA). The process of appointing chairmen and members of the advisory groups is on-going. Appointments subject to OCPA guidelines during FY 2000-01 are listed at (Appendix E)

Figure 7.1 – Advisory Group Structure



Chapter 8

Co-ordination

To create a cohesive operation, involving other Government Departments, responsive to exporters and outward investors, providing co-ordinated, cost-effective services to a consistent standard across British Trade International

British Trade International provides national co-ordination across government departments, the devolved administrations and the English regions on international trade, and a voice within government for exporters and companies investing overseas.

Working Together

The high level forum for inter-departmental co-ordination of support for exporters is the Government Group. The Group ensures that all interested parts of government work together. It looks at cross-cutting issues, such as making ministerial visits overseas more effective.

Government and business are also represented on the sectors and projects group, which reports direct to the British Trade International Board. The group advises on issues that reflect the needs and strengths of the industrial sectors. The sectors and projects group was reformed as the business advisory panel in early 2001 (see page 36).

Each industrial sector is encouraged to develop a sector export strategy. To develop these successfully, Trade Partners UK works closely with industry and the relevant Whitehall department, to agree how strategic goals should be implemented, for example by selecting events to support or by devising promotional initiatives.

Trade Partners UK contributed to the five yearly Review of ECGD to ensure UK exporters and investors were given full weight. The Review, published in July 2000, required a fast programme of reform in ECGD leading to the full adoption of business principles and movement towards a trading fund in 2002. Trade Partners UK works with ECGD on these important issues for exporters and investors.

The second Development White Paper, *Making Globalisation Work for Poor People* was published by DFID on 11 December 2000. Trade Partners UK encourages business to consider ways of increasing investment in developing countries, using the financial instruments available through CDC, ECGD and the infrastructure financing facilities being launched by DFID in 2001. The untying of aid by the UK from April 2001 will require close co-operation with other departments to help secure the next step of multilateral untying in both the EU and OECD.

Devolved Administrations

Each of the devolved administrations through Scottish Trade International (STI), Wales Trade International (WTI) and Trade International Northern Ireland (TINI) is represented on the BTI Board and on the inter-departmental, co-ordinating Government Group.

Each provides its own supplementary programme to suit local businesses, though also accessing national programmes. For example, businesses may also apply for grants under any of the national schemes, which Trade Partners UK offers to UK businesses e.g. overseas trade missions, exhibitions, the Export Explorer scheme. Take up of these programmes has been particularly enthusiastic. Trade Partners UK is working closely with TINi to develop their participation further.

Work on forging strong links with the trade bodies in Scotland, Wales and Northern Ireland continues. Devolution brought focus to the development of WTI and TINi, a development in which Trade Partners UK has been closely supportive by offering advice and best practice from its experienced practitioners and through frequent contacts with the different Trade Partners UK Groups. Trade Partners UK also helped with the recruitment of the new WTI Director. Trade Partners UK's working relationship with STI is perhaps the least changed since devolution because of its pre-existing strength. Work is progressing to achieve co-branding of all trade development and promotion work with devolved partners.

One Brand

All Government support for international trade development and promotion is now marketed under a unified service brand – Trade Partners UK – following its launch in May 2000.

The Trade Partners UK identity applies to all Government-supported services, whether from Government Departments with export interests, Business Links, Chambers of Commerce, export clubs or commercial sections in over 200 diplomatic posts.

Work is underway on joint-branding principles with the devolved administrations and the regions on future partnership working.

Chapter 9

Human Resources

To encourage all staff engaged in British Trade International work to achieve high standards of professionalism in serving British firms

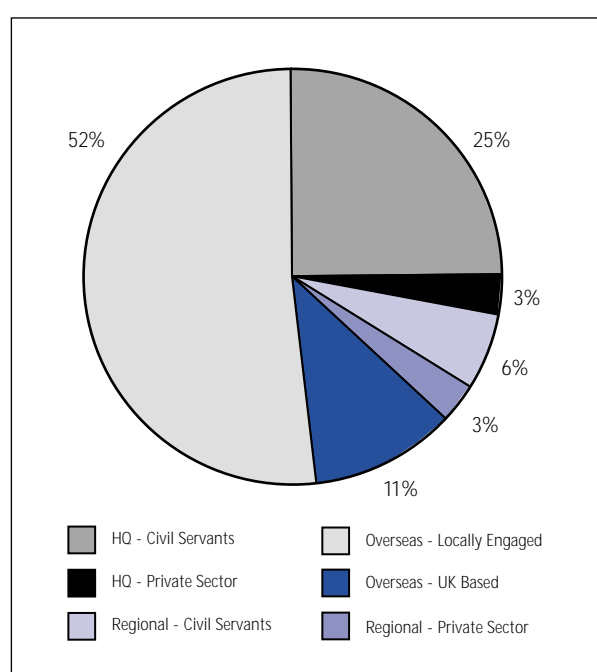
Valuing Public Service

British Trade International delivers through its people – its most valuable asset. It draws on some 2,700 people at over 320 locations worldwide, including some 231 offices overseas. Staff come from the FCO, DTI and Government Office network in the English regions.

There are also private sector personnel, working alongside civil servants, who provide business know how and are a key element in communicating and delivering effectively to customers.

British Trade International is responsible for developing this diverse mix and spread of people – its Global Team – so that they work together, are properly equipped to deliver the changing shape of British Trade International's services, and are motivated at all levels to drive forward innovation and improvement. This is achieved by a combination of formal training, on the job development and encouragement of interchange – between FCO, DTI and Government Office staff within British Trade International and with the private sector.

Figure 9.1 People Profile



Interchange

British Trade International recognises the value of private sector input. This public/private sector dynamic is vital to its people mix, blending public service ethic with business know how.

British Trade International maintains one of the biggest interchange programmes in Government. In the last year over 100 staff from a wide range of companies and organisations have worked for British Trade International – some based in headquarters in London (and Glasgow), some working with specific industrial sectors, some focusing on particular overseas markets. Most took up posts as Export Promoters but a number undertook targeted sector projects, relevant to their expertise, under the Short Term Business Attachment Scheme overseas.

Some 35 civil servants were seconded to business to gain first hand experience of the private sector. Invest UK's US operation was also strengthened by the secondment of 6 executives in the same period.

Figure 9.2

FCO/DTI Interchange Within British Trade International							
	1997-98 Actual	1998-99 Actual	1999-00 Actual	2000-01 Forecast Outturn	2001-02 Target	2002-03 Target	2003-04 Target
DTI/Overseas	20	29	32	35	35	40	40
FCO/UK Operations	37	61	70	80	100	120	120

Figure 9.3

Private Sector Interchange							
	1997-98 Actual	1998-99 Actual	1999-00 Actual	2000-01 Forecast Outturn	2001-02 Target	2002-03 Target	2003-04 Target
Outward	25	32	28	35	50	60	70
Inward	116	114	129	115	100	120	140

Private Sector Interchange

Outward Case Study

Lila Webley, a DTI Civil Servant who works in Trade Partners UK's Business Group, broadened her perspectives with an overseas attachment to Trade Partners UK's team in Islamabad followed by a secondment to the private sector.

"My motive in both cases was to acquire a better understanding of business and export processes, by seeing them from different points of view. Having the chance to add new dimensions to your knowledge and experience is important. These things make a difference: I have a better understanding of the concerns of small businesses, such as competitive pricing and marketing, and what it means to operate in a foreign country. This has improved the substance and quality of the advice and help I can now give to companies committed to international trade."

Inward Case Study

Richard Jenkins, a Business Development Manager with AMEC, has experience of the oil and gas industry – and West Africa – so he was the ideal choice for an assignment in Angola on behalf of Trade Partners UK.

"My main job on this assignment was to provide UK companies with the knowledge and information they need to become more pro-active and successful in the Angolan oil and gas industry. My experience combined with my temporary status as part of Trade Partners UK's local team helped open doors. I have no doubt that this experience will improve my career prospects, it is really the case that everybody wins. Trade Partners UK and its customers win with the commercial information I secured, and AMEC wins through the new knowledge and contacts I have acquired."

Training

A fast developing and changing business world presents constant challenge to staff providing services for firms. Modern professional skills are vital. British Trade International's training and development strategy is designed to enable staff to:

- **Deliver a quality, customer focussed service**
- **Use information technology and manage information effectively to improve efficiency and accessibility to customers.**
- **Manage people, finances and resources effectively**
- **Manage change and meet the demands of our evolving organisation; and**
- **Develop their full potential in both British Trade International and their parent Department.**

Core training programmes have been reviewed against new corporate requirements. New programmes include the marketing skills and telephone enquiry handling courses. Overseas training, particularly for locally-engaged staff, has increased and work continues on developing and delivering new packages of training support. This ensures that staff gain a better understanding of British Trade International and its services.

Training for Locally Engaged Staff

Since April 2000 over 600 staff have attended training courses in the UK. 200 staff overseas attended training delivered at regional centres in Dubai, Guangzhou, New Delhi, Sydney, Sao Paulo, Lima, Cape Town & Mexico City. Training increasingly meets specific local requirements. For example, a presentational skills course was run to meet the needs of commercial assistants in South Africa. The course covered topics such as behavioural styles, tips for best practice at business meetings and receptions as well as ways to build self confidence. This training involved participants from across British Trade International's Southern Africa network.

Professional Qualifications

British Trade International has established an externally accredited professional qualification, the Professionalism in Trade (PIT) Qualification. This is delivered in partnership with Nottingham Trent University and the Institute of Export. The qualification, which tests both knowledge and practical skills in the field of trade development, helps staff to meet business needs. There are currently 3 levels (Foundation, Advanced Certificate and Diploma) which equate to NVQ levels 2, 3 and 4 and British Trade International will develop the qualification towards Masters level by end 2002.

Figure 9.4

PIT Students							
	1997-98 Actual	1998-99 Actual	1999-00 Actual	2000-01 Forecast Outturn	2001-02 Target	2002-03 Target	2003-04 Target
Student Numbers	95	100	230	250	300	300	300
Advanced Certificate	-	-	-	5	5	20	30
Diploma	-	-	-	-	2	5	10

Recognising Talent and Rewarding Staff

British Trade International draws on DTI and FCO systems to recognise and reward staff.

With the PIT Qualification, British Trade International makes bonus payments of £500 for the Advanced Certificate and £750 for the Diploma. In addition, the Knowledge of British Trade International exam, part of the qualification, provides a certificate and a small bonus payment of £50.

Best Practice Award – Athens

Graeme Thomas, Head of Commercial Section, Athens, came up with an innovative scheme to expand the local Trade UK sales leads service: “We were able to exceed our target by 18% over the past year”.

This initiative has given the team in Greece a boost. It has helped Post to prioritise sectors and to establish where the team can add most value. Ultimately the customer has benefited most with better quality and targeted sales leads.

British Trade International is now developing proposals for a campaign to encourage ideas and innovation from staff. The best ideas and proposals will be recognised.

British Trade International works with external organisations who themselves wish to recognise its staff. One such organisation is the Development Group (“D” Group). In 2000 they recognised 6 of British Trade International's locally-engaged staff overseas for their contribution towards outstanding export achievement.

Chieko Hariyama, Tokyo

Jaime Jaen, Panama City

Paul Khawaja, Beirut – (special award for emphasis in assisting the service sector or potential outward investors)

Jim Thompson, Melbourne

Orn Valdimarsson, Reykjavik (special award for successfully assisting new/inexperienced exporters)

Chips Westwood, Washington

Recruitment and Placement

British Trade International combines DTI, FCO and Government Office vacancy filling arrangements. These have been adapted to meet British Trade International requirements. It also recruits through external open competition where there is a clear business and operational case to do so. It has recruited 9 new International Trade Directors for its English Regional operation and the new Invest UK Chief Executive in this way.

A Recruitment Case Study

Neil Blakeman joined Trade Partners UK as its International Trade Director for the South West in September 2000. Neil spent the last seven years overseas. Most recently as General Manager for Tetley Group Limited's operation in Poland .

"I see the main challenges as: working effectively for our customers with a very broad range of organisations and interests; preparing a strong, business led and supported, Regional International Trade Strategy; and ensuring that, with the resources available to us, Trade Partners UK makes the maximum impact within the business community.

Because of my private sector background – primarily general management with consumer goods companies Diageo and Tetley, overseas for the last seven years – I bring a different perspective to the job of International Trade Director. As well as giving me direct and personal experience of exporting and working in-market overseas, my time in business has made me more likely to want to take some risks and has given me a very clear sense of the need to deliver."

Diversity

British Trade International is committed to ensuring diversity and equality for all. A " Diversity in Action" programme to encourage the right environment for staff to realise their potential regardless of background, race, disability, religion, sexual orientation or gender is underway. An initial series of staff focus groups were delivered between December 2000 and January 2001. Detailed proposals for British Trade International's strategy, will be confirmed by the end of March 2001 and the main programme rolled out from April 2001. British Trade International will work towards the civil service-wide diversity targets of 35% of Senior Civil Service posts being filled by women and 3.2% by those from ethnic minority backgrounds by 2004/05 as part of this process.

Investors in People (IiP)

British Trade International is committed to pursuing IiP through a building block strategy. British Trade International aims to secure IiP for its London Headquarters operation by the end of 2001. Proposals for regional and overseas operations will be developed by March 2002.

Appendix A

BRITISH TRADE INTERNATIONAL

Main Estimate 2001-02

Introductory note

1. This Estimate covers programme expenditure for the purpose of trade development and promotion and inward investment, including grants to the Regional Development Agencies (RDAs). The work of British Trade International is also reported in the Expenditure Plans Report of the Department of Trade and Industry, (Cm 5112) and the Departmental Report of the Foreign and Commonwealth Office, (Cm 5110).
2. British Trade International is a joint operation of the Foreign and Commonwealth Office and the Department of Trade and Industry. The administration costs relating to this programme expenditure in the two departments is reflected in the Main Estimates of those departments.
3. An analysis of appropriations in aid of this Request for Resources and related income for 2001-02 is included in this Main Estimate and shows comparison with the two prior years.

British Trade International			
Part 1	£		
RfR1: Enhanced competitiveness of companies in the UK through overseas sales and investment; and a continuing high level of quality foreign direct investment.			
Total net resource requirement		84,193,000	
Net Cash Requirement		84,882,000	
<p>Amounts required in the year ending 31 March 2002 for expenditure by British Trade International on:</p> <p>RfR1: Enhanced competitiveness of companies in the UK through overseas sales and investment; and a continuing high level of quality foreign direct investment</p> <p>trade development and promotion and inward investment, including grants to the Regional Development Agencies (RDAs), associated capital and other related expenditure and associated non-cash items.</p> <p>British Trade International will account for this Estimate.</p>			
	Net Total	Allocated in Vote	Balance to
		on Account	Complete
	£	£	£
RfR1	84,193,000	37,887,000	46,306,000
Total Resource Requirement	84,193,000	37,887,000	46,306,000
Net cash requirement	84,882,000	38,503,000	46,379,000

Main Estimate 2001-02

PART II: Subhead detail										
£ Thousands										
Resources						Capital	2000-01 Provision	1999-00 Outturn		
1	2	3	4	5	6	7	8	9	10	
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	Non- Operating A in A	Net Total Resource	Net Total Resource	
RFR 01: Enhanced competitiveness of companies in the UK through overseas sales and investment; and a continuing high level of quality foreign direct investment										
229	73,788	12,430	86,447	2,254	84,193	248	–	86,554	69,976	
SPENDING IN DEPARTMENTAL EXPENDITURE LIMITS (DEL)										
<i>Central Government Spending</i>										
★A Trade development and promotion and inward investment ■										
–	74,458	12,430	86,888	2,254	84,634	248	–	86,702	69,936	
SPENDING IN ANNUALLY MANAGED EXPENDITURE (AME)										
<i>Non-Cash Items</i>										
B Trade development and promotion and inward investment										
229	-670	–	-441	–	-441	–	–	-148	40	
229	73,788	12,430	86,447	2,254	84,193	248	–	86,554	69,976	

Resource to cash reconciliation	2001-02
Net Total Resources	84,193
Voted Capital Items	
Capital	248
Less non-operating A-in-A	–
	248
Accruals to cash adjustment	
Cost of capital charges	670
Depreciation	-229
Other non-cash items	
Increase (-) / Decrease (+) in creditors	–
	441
Net Cash Required	84,882

Main Estimate 2001-02

PART III : Extra Receipts payable to the Consolidated Fund						£ Thousands	
In addition to appropriations in aid the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):-							
	2001-02		2000-01		1999-00		
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>	
Operating income not classified as A in A					43		
Non-operating income not classified as A in A							
Other income not classified as A in A							
					43		

FORECAST OPERATING STATEMENT						
for the year ended 31 March 2002						£ Thousands
	Provision		Provision		Outturn	
	2001-02		2000-01		1999-00	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Administration Costs						
Voted Expenditure						
Staff costs (See note i)						
Other Administration costs	229		229		62	
Gross Administration cost		229		229		62
Operating income						
Total Net Administration costs		229		229		62
Programme Costs						
Voted Expenditure						
Expenditure		86,218		88,352		73,376
Income		-2,254		-2,027		-3,505
Net Programme costs		83,964		86,325		69,871
Total Net Programme costs		83,964		86,325		69,871
NET OPERATING COST		84,193		86,554		69,933
NET RESOURCE OUTTURN		84,193		86,554		69,933
RESOURCE BUDGET OUTTURN		84,193		86,554		69,933

Note i): staff costs are shown in the Expenditure Plans Report of the Department of Trade and Industry and the Departmental Report of the Foreign and Commonwealth Office

Main Estimate 2001-02

FORECAST CASH FLOW STATEMENT			£ Thousands
	2001-02 Provision	2000-01 Provision	1999-00 Outturn
Net cash outflow from operating activities (Note i)	-84,634	-86,563	-69,936
Capital expenditure and financial investment (Note ii)	-248	-230	-2,091
Receipts due to the Consolidated Fund which are outside the scope of the departments operations			
Payments of amounts due to the Consolidated Fund			
Financing (Note iii)	84,882	86,793	72,027
Increase (+) / decrease (-) in cash in that period	-	-	-

Notes to the cash flow statement			
Note i: Reconciliation of operating cost to operating cash flows			
Net operating Cost	84,193	86,554	69,933
Remove non-cash transactions	441	148	-40
Adjust for movements in working capital other than cash	-	-139	43
Use of provisions			
Net cash outflow from operating activities	84,634	86,563	69,936
Note ii: Analysis of capital expenditure and financial investment			
Tangible fixed asset additions	248	230	2,091
Intangible fixed asset additions			
Proceeds of disposal of fixed assets			
Loans to other bodies			
Adjust for movement in working capital on capital expenditure and financial investment			
Net cash outflow for capital expenditure and financial investment	248	230	2,091
Note iii: Analysis of financing and reconciliation to the net cash requirement			
From Consolidated Fund (Supply): current year expenditure	84,882	86,793	72,027
From Consolidated Fund (Supply): prior year expenditure			
From Consolidated Fund (Non Supply)			
Net financing	84,882	86,793	72,027
Increase (+) / decrease (-) in cash	-	-	-
Net cash flows other than financing (net outflow = +)	84,882	86,793	72,027
Adjust for payments and receipts not related to Supply:			
Amounts due to the Consolidated Fund – received in a prior year and paid over			
Amounts due to the Consolidated Fund - received and not paid over			
Net cash requirement for the year	84,882	86,793	72,027

Explanation of Accounting Officer Responsibilities

Main Estimate 2001-02

The Treasury has appointed the Group Chief Executive of British Trade International, Sir David Wright, as Accounting Officer of British Trade International with responsibility for preparing British Trade International's Estimate for programme expenditure.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding British Trade International's assets, are set out in the Accounting Officers' Memorandum, issued by the Treasury and published in *Government Accounting*.

Main Estimate 2001-02

FORECAST RECONCILIATION OF NET RESOURCE OUTTURN TO NET OPERATING COST TO RESOURCE BUDGET OUTTURN			
for the year ended 31 March 2002			
	2001-02		1999-00
	£ Thousands		
Net Resource Outturn	84,193	86,554	69,976
Add non-voted expenditure in the OCS			
Add Consolidated Fund Extra Receipts in the OCS			-43
Net Operating Costs	84,193	86,554	69,933
Add other Consolidated Fund Extra Receipts			-1
Resource Budget Outturn	84,193	86,554	69,932
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	84,634	86,702	69,892
Annually Managed Expenditure (AME)	-441	-148	40

ANALYSIS OF APPROPRIATIONS IN AID						
Detail	£ Thousands					
	2001-02		2000-01		1999-00	
	Provision		Provision		Outturn	
	Operating A-in-A	Non-Operating A-in-A	Operating A-in-A	Non-Operating A-in-A	Operating A-in-A	Non-operating A-in-A
RfR1 – Enhanced competitiveness of companies in the UK through overseas sales and investment and a continuing high level of quality foreign and direct investment.						
trade development and promotion and inward investment	2,254		2,027		3,462	
TOTAL A-IN-A	*2,254		*2,027		*3,462	
*Amount that may be applied as appropriations in aid in addition to the net total, arising from receipts from trade promotion and development activities.						

ANALYSIS OF CONSOLIDATED FUND EXTRA RECEIPTS (CFERs)						
	£ Thousands					
	2001-02		2000-01		1999-00	
	Provision		Provision		Outturn	
	Income	Receipts	Income	Receipts	Income	Receipts
In addition to appropriations in aid the following income and receipts relate to British Trade International and are payable to the Consolidated Fund:						
trade development and promotion ●					43	
TOTAL					43	

Notes to the Main Estimate

Main Estimate 2001-02

Departmental Expenditure Limit and Administrative Cost Limits

The Departmental Expenditure Limit for 2001-02 is £84,882 million.

Comparison of provision sought with final provision and forecast outturn

RfR1

The provision sought for 2001-02 is 2% lower than the final net provision and forecast outturn for 2000-01. An approximate breakdown of the total provision for 2001-02 by corporate objective is given in the table in Annex C.

Expenditure resting on the sole authority of the Appropriations Act ■

The provision in Section A is sought under the sole authority of Part 1 of the Estimate and of the continuing Appropriation Act.

Appendix B

SPENDING PLANS TABLES

EXPLANATORY NOTES

Introduction to the format of the tables

Following the introduction of resource accounting and budgeting (RAB), there have been a number of changes to the core tables in departmental reports. RAB provides a more accurate measure of departmental expenditure by matching costs to time, taking account of the full consumption and investment of arms-length bodies such as Non-Departmental Public Bodies (NDPBs) and public corporations, and measuring the full cost of government activity, including non-cash expenditure such as depreciation, cost of capital charges, and provisions.

The aim of the tables is to provide a detailed analysis of departmental expenditure plans in resource terms, showing: resource consumption and capital investment; Voted and non-Voted expenditure; and expenditure in three year Departmental Expenditure Limits (DEL) and Annually Managed Expenditure (AME).

Following the decision to introduce resource budgeting in two stages, the major non-cash items – depreciation, cost of capital charges, and provisions – score in AME for the 2000 Spending Review years (2001-02 to 2003-04). Throughout the tables, non-cash expenditure in AME is distinguished from annually managed programme expenditure. In Stage 2 resource budgeting, which is scheduled for the 2002 Spending Review, these items will score in DEL.

Because RAB data is at present available only from 1998-99, the scope of the resource tables is restricted to 1998-99 to 2003-04, the last year covered by the 2000 Spending Review. However, Table 7 sets out DEL in cash terms from 1995-96 to 2001-02, whilst Table 8 shows the cash to RAB reconciliation for DEL numbers for 1998-99 to 2000-01.

Tables are included showing:

- Table 1 - High level spending plans table
- Table 2 - Departmental Voted Cash Requirement
- Table 3 - Consumption: Analysis of Resource Budget Spending Plans
- Table 4 - Investment: Analysis of Capital Budget Spending Plans
- Table 5 - Reconciliation of resource expenditure between accounts, Estimates and budgets
- Table 6 - Reconciliation of capital expenditure between accounts, Estimates and budgets
- Table 7 - DEL and AME cash plans, 1995-96 to 2000-01
- Table 8 - Reconciliation of RAB and cash budgets, 1998-99 to 2000-01

Table 1 – High level spending plans

This table sets out, in resource terms, a summary of expenditure from 1998-99 to 2003-04. The first part shows total expenditure in DEL and AME including the new non-cash AME items introduced by RAB. This is then split into resource and capital expenditure, the former showing what the organisation consumes in current spending and the latter showing planned investment expenditure.

The "Total Resource Budget" and "Total Capital Budget" figures illustrate, in resource terms, total DEL and AME expenditure in the department's budget. "Programme spending in Resource AME" is used to distinguish annually managed programme expenditure from the non-cash items which score in AME under Stage 1 resource budgeting.

"Net operating costs" and "Capital expenditure in accounts" show the expenditure covered in the departmental resource accounts, while "Net total resources (Voted)" and "Net capital expenditure (Voted)" show the resources and capital expenditure voted by Parliament in Estimates. Reconciliations between the budgeting accounting and Parliamentary Estimates aggregates are shown in Tables 5 and 6 for resources and capital expenditure.

Table 2 – Departmental Voted Cash Requirement

Under RAB, Parliament votes both a net resource requirement for departmental expenditure, reflecting the total Voted provision sought in resource terms, and the cash requirement needed to fund this commitment. The

Voted net cash requirement represents the Parliamentary limit for the department in cash terms and the limit for the amount of cash which can be drawn down for use by the department in the year.

The Voted net cash requirement is calculated by removing non-cash costs from net operating costs, adjusting for accruals/cash differences such as timing, and then stripping out the part of the departmental cash requirement that is not Voted.

The net Voted cash requirement is shown from 1998-99 to the year for which the current Estimate has been submitted, 2001-02.

Table 3 – Consumption: Analysis of Resource Budget Spending Plans

Table 3 gives a detailed breakdown of the resource or current spending plans from 1998-99 to 2003-04. The functional splits by which resources are allocated match those in the Main Resource Estimates, split into DEL and AME. Non-Voted expenditure is shown. Non-cash expenditure in AME is shown by category – depreciation, cost of capital charge, and any changes in provisions and other charges.

Table 4 – Investment: Analysis of Capital Budget Spending Plans

Table 4 gives a detailed breakdown of the investment or capital spending plans from 1998-99 to 2003-04. The functional split by which resources are allocated match that in the Main Resource Estimates.

Table 5 – Reconciliation of resource expenditure between accounts, Estimates, and budgets

This is a technical table showing the inter-relationship between the three totals for accounts, Estimates and budgets. The outturn against the total Voted by Parliament in the Estimates is shown first. The net operating cost figure in the accounts include items which are not part of the resource total voted by Parliament, such as non-Voted expenditure within the departmental accounting boundary, and receipts surrendered to the Consolidated Fund.

The budgeting total reflects the spending authority for the department within the Government's framework for expenditure control. This is an administrative limit imposed by the Government on the department. So the resource budget outturn total includes a number of categories of expenditure which are not included in, or scored differently from, the totals recorded for Voted Estimates and departments' accounts.

Table 6 – Reconciliation between capital expenditure in accounts, Estimates and budgets

This table shows the inter-relationship between the three totals for capital expenditure.

Table 7 – DEL and AME cash plans, 1995-96 to 2000-01

For the purposes of allowing comparisons to be made with previous expenditure over a longer period, a table showing outturn in cash terms is included from 1995-96 to 2000-01. 2000-01 is the last year where outturn will be expressed in cash terms.

Table 8 – Reconciliation of RAB and cash budgets, 1998-99 to 2000-01

This table illustrates how the new resource based outturn figures have been derived from the previous cash numbers for both the resource and capital budgets, in both DEL and AME. The main types of adjustment from the cash to the resource based system are:

- **timing adjustments, reflecting the fact that under RAB costs are scored when the economic activity takes place, not when it is paid for;**
- **classification switches from resource to capital, and vice-versa as a result of the new accounting and budgeting rules.**

Table 1: RESOURCE PLANS SUMMARY TABLE						£ Thousands
	Outturn		Estimated	Plans		
	1998-99	1999-00	Outturn	2000-01	2001-02	2002-03
TOTAL SPENDING IN DEL	71,619	71,983	86,932	84,882	89,482	92,482
TOTAL SPENDING IN AME		40	-148	-441	-441	-441
<i>of which non-cash AME</i>		40	-148	-441	-441	-441
Consumption – The Resource Budget						
Resource DEL	69,298	69,892	86,702	84,634	89,234	92,234
Resource AME		40	-148	-441	-441	-441
<i>of which</i>						
Non-cash items in Resource AME		40	-148	-441	-441	-441
Total Resource Budget	69,298	69,932	86,554	84,193	88,793	91,793
Adjustment to reach operating costs		1				
Net Operating Costs	69,298	69,933	86,554	84,193	88,793	91,793
Adjustment to reach voted total		43				
NET TOTAL RESOURCES (VOTED)	69,298	69,976	86,554	84,193	88,793	91,793
Investment – The Capital Budget						
Capital DEL	2,321	2,091	230	248	248	248
Capital AME						
Total Capital Budget	2,321	2,091	230	248	248	248
Adjustment to reach voted capital						
NET CAPITAL EXPENDITURE (VOTED)	2,321	2,091	230	248	248	248
¹ This table summarises information on spending plans, accounts and Estimates across BTI. All this information is presented in more detail in Tables 3 and 4.						

Table 2: VOTED CASH REQUIREMENT						£ Millions
BRITISH TRADE INTERNATIONAL						
	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04
British Trade International	69	70	87	84	89	92
Net Capital Expenditure (Voted)	2	2	#	#	#	#
Adjust for non-cash transaction		#	#	#	#	#
Adjust for movements in working capital			#			
Net Cash Required	72	72	87	85	89	92

Table 3: CONSUMPTION - Analysis of Resource Budget Spending Plans						£ Thousands
	Outturn		Estimated Outturn		Plans	
	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04
Resource Budget						
Departmental Expenditure Limits (DEL)						
RfR 1						
Trade development and promotion and inward investment	69,298	69,936	86,702	84,634	89,234	92,234
Non-voted expenditure		-44				
Total DEL	69,298	69,892	86,702	84,634	89,234	92,234
<i>Of which</i>						
Central Government Spending	69,298	69,892	86,702	84,634	89,234	92,234
<i>Of which</i>						
Voted	69,298	69,892	86,702	84,634	89,234	92,234
Non-voted		-44				
RfR 1						
Trade development and promotion and inward investment		40	-148	-441	-441	-441
Total AME		40	-148	-441	-441	-441
<i>Of which</i>						
Central Government Spending		40	-148	-441	-441	-441
<i>Of which</i>						
Voted		40	-148	-441	-441	-441
<i>Of which non-cash items in AME</i>						
<i>Of which</i>						
Cost of Capital Charges		-22	-377	-670	-670	-670
Depreciation		62	229	229	229	229

Table 4: INVESTMENT – Analysis of Capital Budget Spending Plans						£ Thousands
	Outturn		Estimated Outturn	Plans		
	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04
CAPITAL BUDGET						
Departmental Expenditure Limits (DEL)						
RFR 1						
Trade development and promotion and inward investment	2,321	2,091	230	248	248	248
Total DEL	2,321	2,091	230	248	248	248
<i>Of which</i>						
Central Government Spending	2,321	2,091	230	248	248	248
<i>Of which</i>						
Voted	2,321	2,091	230	248	248	248

Table 5: RECONCILIATION OF RESOURCE EXPENDITURE BETWEEN ESTIMATES, ACCOUNTS AND BUDGETS						£ Millions
	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04
1. Net Resource Outturn (Estimates)	69	70	87	84	89	92
<i>Adjustments for:</i>						
2. Non-voted expenditure in the OCS						
3. Consolidated Fund Extra Receipts in the OC		#				
	69	70	87	84	89	92
6. Net Operating Costs (Accounts)	69	70	87	84	89	92
<i>Adjustments for:</i>						
7. Other Consolidated Fund Extra Receipts		#				
	69	70	87	84	89	92
8. Resource Budget Outturn (Budget)	69	70	87	84	89	92
<i>Of which:</i>						
9. Departmental Expenditure Limit (DEL)	69	70	87	84	89	92
10. Annually Managed Expenditure (AME)		#	#	#	#	#

Table 6: RECONCILIATION OF CAPITAL EXPENDITURE BETWEEN ESTIMATES AND BUDGETS						£ Millions
	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04
Net Voted Capital Outturn (Estimates)	2	2	#	#	#	#
Capital Budget Outturn	2	2	#	#	#	#
<i>Of which:</i>						
Departmental Expenditure Limits (DEL)	2	2	#	#	#	#
Annually Managed Expenditure (AME)						

Table 7: DEPARTMENTAL EXPENDITURE LIMITS AND ANNUALLY MANAGED EXPENDITURE CASH PLANS 1995-96 TO 2000-01						£ Thousands
	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01
	<i>Outturn</i>	<i>Outturn</i>	<i>Outturn</i>	<i>Outturn</i>	<i>Outturn</i>	<i>Estimated</i>
Departmental Expenditure Limits (DEL)						
Current Budget						
Trade Promotion and Inward Investment	61,755	64,148	64,900	69,298	69,936	86,448
Non-voted expenditure	-31	-298	-409	-9		
Capital Budget						
Trade Promotion and Inward Investment	2,254	2,931	2,259	2,321	2,091	245
Non-voted expenditure						
Total Spending in DEL	63,978	66,781	66,750	71,610	72,027	86,693

Table 8: DEPARTMENTAL EXPENDITURE LIMITS - CASH TO RESOURCE RECONCILIATIONS 1998-99 TO 2000-01			£ Millions
	1998-99	1999-00	2000-01
	Outturn	Outturn	Estimated outturn
DEL Current Budget - Cash	69	70	86
Timing Adjustments			#
Switches from Current to Capital Budget			
Switches from Capital to Resource Budget			
Other Budgeting Changes			
Resource Budget DEL	69	70	87
DEL Capital Budget - Cash	2	2	#
Timing Adjustments			
Switches from Current to Capital Budget			
Switches from Capital to Resource Budget			
Other Budgeting Changes			
Capital Budget DEL	2	2	#
Total DEL Under Cash	72	72	87
Total DEL Under RAB	72	72	87

Appendix C

Supplementary Table

RfR1: BRITISH TRADE INTERNATIONAL PROGRAMME EXPENDITURE			£ Thousands
	1999-00	2000-01	2001-02
	Outturn	Working Provision	Plans
Spending in Departmental Expenditure Limits (DEL)			
Central Government Spending			
★A: Trade development and promotion and inward investment ■			
Trade development and promotion			
(i) To provide firms with high quality, timely and accessible information to help them export and invest overseas.		12,719	12,426
(ii) To help new, inexperienced and occasional exporters develop their potential export capability and as a result their competitiveness.		31,090	30,377
(iii) To help firms experienced in exporting and investing abroad to exploit successfully trade and investment opportunities overseas.		16,251	15,878
(iv) To provide more focused help in those markets and sectors, identified together with the private sector experts, as having strong potential for British business.		10,599	10,355
Inward Investment			
(i) Grants to Regional Development Agencies		12,200	12,430
(ii) Invest UK promotional expenditure		6,100	5,670
Gross total	75,489	88,959	87,136
<i>Less</i>			
Appropriations in aid			
Receipts from trade development and promotion and inward investment activities	-3,462	-2,027	-2,254
Net total	72,027	86,932	84,882
Notes:			
(i)	It is not possible to break down 1999-00 outturn by the above objectives, as expenditure in 1999-00 was recorded against a previous set of objectives which does not allow a direct read across between the two.		
(ii)	Distributions are approximate as some services serve more than one objective.		
(iii)	All expenditure on trade development and promotion has been included under the four Trade Partners UK operational objectives. Trade Partners UK objectives 5 and 6, concerning better co-ordination and professionalism, are primarily aimed at delivering the first four effectively.		
(iv)	The breakdown of figures against those in the "Plans" column is approximate. They reflect the same proportion of the total as the breakdown in the "2000-01 Working Provision" column. The proportions are expected to change given the continuing developing nature of the organisation.		

Appendix D

Symbols to be used in the 2001-02 Main Estimates

Public Expenditure

- ★ A section of an Estimate which contains discretionary expenditure
- Φ Income receipts which are classified as negative DEL and negative DEL in respect of income from capital receipts including assets sales and which are, exceptionally, surrendered to the Consolidated Funds as extra receipts rather than taken on to the Estimate as appropriations in aid
- Δ Income receipts which are classified as negative AME or negative AME in respect of income from capital receipts including asset sales and which are, exceptionally, surrendered to the Consolidated Fund as extra receipts rather than taken on to the Estimate as appropriations in aid
- Extra receipts which are classified as 'other spending outside DEL' and are surrendered direct to the Consolidated Fund as extra receipts
- Ω Includes notional expenditure in respect of capital charges offset by matching negative expenditure in Column 2 of the Part II table of the Estimate

Statutory authority for expenditure

- Items where provision is sought under the sole authority of Part I of the Estimate and of the confirming Appropriation Act

Accounting and audit arrangements for grants in aid and certain subscriptions, etc to international organisations:

- ♥ The accounts of this body are audited by the Comptroller and Auditor General and presented to Parliament
- ♦ The accounts of this body are audited by auditors appointed by the Secretary of State (or Ministers) and presented to Parliament. The books and accounts are also open to inspection by the Comptroller and Auditor General
- ♠ The accounts of this body are audited by auditors appointed by the Secretary of State (or Ministers) and presented to Parliament

Appendix E

Public Appointments made by British Trade International since October 2000

Business Advisory Panel

Advises the Board of British Trade International and Business Directors on how Government export promotion support should be directed across industry sectors to improve export performance. All appointments effective from 16 March 2001.

Public Body & Name of Appointee	Position	Period of Appointment	Annual Remuneration	Time Input
Colin Adams, Chief Executive, BCB	Member	2 years	Nil	Part
Philippa Allan, Director, Marketing Company	Member	3 years	Nil	Part
Richard Barber, Director, Corus UK	Member	2 years	Nil	Part
Peter Berry, Executive Chairman, Crown Agents	Member	2 years	Nil	Part
Stuart Doughty, Chmn, Alstec Systems Technology	Member	2 years	Nil	Part
Sir Ronald Halstead, President and Chairman of EIA	Member	3 years	Nil	Part
Jimmie Lewis OBE, Director, BATC	Member	2 years	Nil	Part
Glenis Poletti, Armstrong Fastening Technologies	Member	3 years	Nil	Part
John Robinson, Chairman, George Wimpey Plc	Member	2 years	Nil	Part
David Robottom, Director, DMA UK Ltd	Member	3 years	Nil	Part
Andrew Scott, Director, CBI	Member	2 years	Nil	Part
Sir Neville Simms, Chairman, Carillion Plc	Member	3 years	Nil	Part
Arun Singh OBE, Klegal	Member	3 years	Nil	Part

Trade Partners UK: Middle East & Africa Advisers

Advises the Market Director of Trade Partners UK on the prioritisation of trade and investment support and development activities across the Middle East & Africa region. All appointments effective from 15 March 2001.

Public Body & Name of Appointee	Position	Period of Appointment	Annual Remuneration	Time Input
Oliver Andrews, Director, TCI Corporation Ltd	Member	3 years	Nil	Part
Andrew Buxton, Adviser, Barclays Bank Plc	Member	3 years	Nil	Part
Jim Dawson, Chairman, Gibb Ltd	Member	3 years	Nil	Part
Martin Houston, VP, 13G Group Plc	Member	3 years	Nil	Part
Martin Kingston, MD, Deutsche Bank	Member	3 years	Nil	Part
Ivor Levene, Marks & Spencer	Member	3 years	Nil	Part
Peter Mackenzie-Smith, Marconi Plc	Member	3 years	Nil	Part
Philip McCrum, CBI	Member	3 years	Nil	Part
Jonathan Metliss, Partner, S J Berwin & Co	Member	3 years	Nil	Part
Chris Nasah, Director, Knak Design Ltd	Member	3 years	Nil	Part
Terry Stone, ABC International Bank Plc	Member	3 years	Nil	Part
John Withrington, Director, Shell International Ltd	Member	3 years	Nil	Part

Trade Partners UK: Asia Pacific Advisers

Advises the Market Director of Trade Partners UK on the prioritisation of trade and investment support and development activities across the Asia Pacific region. All appointments effective from 24 November 2000.

Public Body & Name of Appointee	Position	Period of Appointment	Annual Remuneration	Time Input
Clay Brendish CBE, Deputy Chairman, CMG Plc	Member	2 years	Nil	Part
Peter Godwin CBE, Standard Bank London Ltd	Member	2 years	Nil	Part
David Jefferies CBE, Chairman, 24/Seven	Member	2 years	Nil	Part
Peter Kent CMG, Chairman, Starlight Media Intl Ltd	Member	2 years	Nil	Part
John McGowan, Director, GKN-Westland Ltd	Member	2 years	Nil	Part
Sir Paul Newall, Vice President, IoE	Member	2 years	Nil	Part
Lord Powell, Director, Jardine Matheson Holdings	Member	2 years	Nil	Part
Ian Robertson, CEO, Vektor Ltd	Member	2 years	Nil	Part
Michael Rosenberg OBE, Chairman, Eastkings Ltd	Member	2 years	Nil	Part
Edward Scott, Chairman, John Swire & Sons Ltd	Member	2 years	Nil	Part
Michael Shears CBE, Ove Arup Partnership	Member	2 years	Nil	Part
Ian Thomas, AMEC Plc	Member	2 years	Nil	Part
Judith Unwin OBE, BNP Paribas	Member	2 years	Nil	Part

Trade Partners UK: Europe Advisers

Advises the Market Director of Trade Partners UK on the prioritisation of trade and investment support and development activities across Europe. All appointments effective from 27 February 2001.

Public Body & Name of Appointee	Position	Period of Appointment	Annual Remuneration	Time Input
Dr John Howell, Fifthworld Productions Lid	Member	2 years	Nil	part
Dr Irena Edwards, CMS Cameron McKenna	Member	2 years	Nil	Part
Brian Waltmaier, Simon Carves Lid	Member	2 years	Nil	Part
Chris Howard, Mathmos Lid	Member	2 years	Nil	Part
David Bryan, Sonic Communications (Int'l) Lid	Member	2 years	Nil	Part
Pauline Shearman, CBI	Member	2 years	Nil	Part
Anthony Gould, Anthony S Gould International Marketing Consultants	Member	2 years	Nil	Part
Keith Dawson, John Laing International Ltd	Member	2 years	Nil	Part

Trade Partners UK: Americas Advisers

Advises the Market Director of Trade Partners UK on the prioritisation of trade and investment support and development activities across the Americas. All appointments effective from 5 January 2001.

Public Body & Name of Appointee	Position	Period of Appointment	Annual Remuneration	Time Input
Graham Benson, Chmn, Blue Heaven Productions Lid	Member	2 years	Nil	Part
Gillian Carr, MD, Carrousel	Member	2 years	Nil	Part
Frank Denelle, Shell International Lid	Member	2 years	Nil	Part
Peter Garrett, Chairman, Knight Piesold UK	Member	2 years	Nil	Part
Nicholas Hurd, Director, Band-X Lid	Member	2 years	Nil	Part
Andrew Peat	Member	2 years	Nil	Part
James Ross, Chairman, National Grid	Member	2 years	Nil	Part
Rolf Rue, Regional MD, BAe Systems	Member	2 years	Nil	Part
Diana Wilkin, HSBC Investment Bank Plc	Member	2 years	Nil	Part



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