



Department  
for Business  
Innovation & Skills

**BIS PERFORMANCE INDICATORS**

Number of Foreign Direct  
Investment projects attracted to  
the UK with UKTI involvement

JANUARY 2015

# Number of Foreign Direct Investment projects attracted to the UK with UKTI involvement

## Why is this indicator important?

This is an indicator of UKTI's impact; it contributes directly to the Government's drive to promote growth through trade and investment.

## How are we performing?

FY	UKTI Projects Assisted	UKTI Recorded Total Projects	UKTI Assisted Projects as % of Total
2013/14	1,462	1,773	82%
2012/13	1,322	1,559	85%
2011/12	1,172	1,406	83%
2010/11	1,205	1,434	84%

In the last financial year reported, 2013/14, and through its 'One Team' approach of working with its regional and local partners, and across its 'Network' UKTI was involved in bringing to the UK a record number of inward investment projects of 1,462. This level of projects was over 10% higher than the previous year (2012/13). The 2012/13 figure itself represented an increase of almost 13% over 2011/12.

The UKTI Network consists of: UKTI HQ; Overseas Posts in British Embassies and Consulates; UKTI's domestic contractor/Investment Services Team (IST); UK Local Enterprise Partnerships (LEPs) and Enterprise Zones; Investment Offices in Scotland, Wales, and Northern Ireland); London and Partners; and UKTI contractor in 4 emerging markets (Gulf, Russia, Eastern Europe and, Latin America)

In addition to recording the projects it assists across its network, UKTI also records other investment projects entering the UK that it is aware of. This means it can track what

proportion of total projects it is involved in. In 2013/14 for the projects it was aware of, UKTI was involved, to varying degrees, in 4 out of every 5 projects entering the UK.

## What will influence this indicator?

The principal potential influences to these indicators would be:

1. Changes to the number of projects UKTI helps to deliver as a result of retargeting strategy that incorporates additional value measures; and
2. UKTI's overall capability and capacity, and its ability to access sufficient budget in support of FDI.

The UK Government is committed to ensuring that the UK retains and strengthens its leading position as a world-class destination for high-quality inward investment and to become the number one destination for high-quality inward investment from High Growth Markets by 2020.

The UK's inward investment results for 2013/14 confirm the country's position as the leading destination for FDI in Europe in terms of project numbers. Furthermore, the results mirror the global comparative analysis undertaken by UNCTAD (United Nations Conference on Trade and Development) and the data from other independent sources.

All nations of the UK were able to report a rise in the number of projects, with significant increases seen in Wales (18 per cent), Northern Ireland (32 per cent), and Scotland (10 per cent).

UKTI will work to further take advantage of the fact that the UK's sectoral and industrial offer to foreign investors is one of the strongest in the world and when combined with the UK's stable business environment, provides a highly attractive commercial proposition within the context of the current global economic climate.

UKTI recognises the intensifying competition globally allied to the growing location options available to multinational companies. This means that UKTI will strive for even greater focus to attract more investment to all parts of the UK and to strengthen the UK's performance in emerging markets.

## What is BIS's role?

UKTI is a joint non-ministerial Government Department of the Department for Business, Innovation and Skills (BIS) and the Foreign and Commonwealth Office (FCO). BIS's role in FDI success is, therefore, delivered through UKTI.

UKTI, in turn, is at the heart of the Government's drive to promote growth through trade and investment, its contribution to delivering the Trade White Paper was detailed in its Strategy, Britain Open for Business, which set out plans to provide practical support to

exporters and inward investors over a five year period. This included within its four pathways to growth, two of which relate to inward investment:

- Creating a pipeline of high-quality inward investment projects and targeting overseas institutions such as sovereign wealth funds to win investment for the UK's large-scale infrastructure and regeneration projects.
- Focus on building strategic relationships by introducing key account management of the most significant inward investors and the UK's top exporters to offer a seamless, "one-stop" service.

Following subsequent Budget and Spending Round announcements, and in line with Government priorities for Trade & Investment, UKTI is also:

- Enhancing inward investment support in growth markets, such as the UAE, Qatar, Kuwait and Russia;
- Positioning the UK as the leading location of choice for European HQs, elite global entrepreneurs and exceptional talent including a new dedicated visa route for entrepreneurs brought into the UK under the programme; and
- Building on the success of Tech City and developing further inward investment campaigns linked to the key sectors in the Industrial Strategy. In 2013 these will help drive investment in key areas such as aerospace; non-health life sciences; the information economy; nuclear, renewables, oil and gas; and, the information economy.

## Indicator definition

The key source of data for measuring how UKTI is performing against its targets is its Customer Data Management System (CDMS) system. Entries for inward investment involved successes are then verified by a number of parties including partners. Criteria defining an involved inward investment success are as follows:

- Significant involvement in a FDI project should be claimed by UKTI when they have undertaken a minimum of two of the following activities in dealing with the specific project:
  - arranged a regional tour;
  - arranged a location search;
  - provided other significant information;
  - provided in-depth client specific R&D information which influenced the target company's decision;
  - provided client with access to UK based technology sources of R&D expertise and facilities;

- provided client with access to UK technology sources;
- provided public sector financial assistance;
- prepared a tailor made presentation;
- significant initial contact with a company and passed resulting lead to another Agency in the network;
- generated a lead as a result of a promotional event/activity;
- supported the Tech City and High Technology Task Force including virtual team participation, in securing a technology orientated inward investment.

### **Definition of significant involvement in other inward investment projects**

UKTI may claim an involved success if one of the following criteria is met:-

- the UKTI team has had significant contact with a company and provided them with advice/information relevant to the claimed investment;
- UKTI has passed resulting lead successfully to another lead agency in the network.

### **Definition of the various UKTI Teams delivering/claiming Significant Assistance**

UKTI classifies its significant assistance in terms of UKTI HQ, UKTI Overseas. A third type of UKTI team is being added to our system to reflect UKTI's new contracted resource for England (excluding London); UKTI Investment Services Team (IST). This category will allow UKTI to track the collaboration between HQ/Overseas and our contracted service delivery partner. When completing the FDI form (IG3) for a project success, teams will identify themselves using these terms.

Compliance by UKTI partners in the measuring criteria is governed through a series of Memoranda of Understanding with Devolved Administrations, Local Enterprise Partnerships and other partners.

### **Further Information**

Inward Investment Report 2012/13 can be found [here](#)

### **Related indicators**

[Average Unit Cost per FDI Project attracted to the UK with UKTI involvement](#)

### **Status**

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