

# Backing Scotland's Businesses

A Plan for Growth

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# Contents

Scotland's Economic Outlook	3
A Strategic Path to 2050	4
The Business Mandate for Scotland's Next Parliament	5
Our Headline Asks	6
Regional Policy Priorities	7
Restore competitiveness and investment confidence	8
Regional Policy Priorities	12
Deliver infrastructure that powers economic growth	14
Secure the future workforce	18
Create the conditions for digital leadership	22
Expand our global reach	26
Scottish Chamber Network Map	30
The Chamber Directory	31



## Scotland's economic outlook

Scotland is home to innovative, tenacious businesspeople who want to invest, grow, and create jobs.

Across every region, firms are ready to play their part in building a stronger economy. But unlocking that potential requires stability: long-term policy direction, predictable regulation, and investment frameworks that give businesses the confidence to plan years ahead, rather than react to year-to-year budgets and policy shifts.

Businesses continue to tell us that uncertainty is holding them back and forcing them to make difficult decisions.

Our members need clear signals from government about Scotland's economic direction, aligned with global competitiveness and informed by what works best in comparable small economies.

Recent insights set out the scale of the challenge. Our Quarterly Economic Indicator showed that by the end of 2025, business confidence had fallen to its weakest level of the year, with around four in ten firms reporting a deterioration in confidence, and only a small minority increasing investment.

This plan responds to those immediate pressures while setting out a practical pathway for the decades ahead. By 2050, we want Scotland to be a competitive, growing economy with

strong productivity, deep global connections, and a workforce that supports high-value jobs in every part of the country.

At the heart of this plan is Scotland's chamber network: the golden thread connecting businesses of all sizes, sectors and regions to the long-term direction of the economy.

Through our reach spanning every region, sector, and business size, the Scottish Chambers of Commerce acts as a national voice for business, connecting the lived experience of firms on the ground with decision-makers at both Holyrood and Westminster.

This plan reflects the shared priorities that those businesses continue to tell us they need: a competitive environment, reliable infrastructure, access to skills and talent, support to innovate, and the ability to trade internationally with confidence.

It sets out a clear, long-term vision for business, policymakers, and future governments with one clear aim: to make Scotland the greatest place in the world to do business.



**RODNEY AYRE**

President, Scottish Chambers of Commerce



**Charandeep Singh BEM**

Chief Executive, Scottish Chambers of Commerce

# A Strategic Pathway to 2050

To achieve long-term economic transformation, Scotland needs a structured, evidence-based pathway built on consistent policy and coordinated action that delivers growth for all parts of the country.

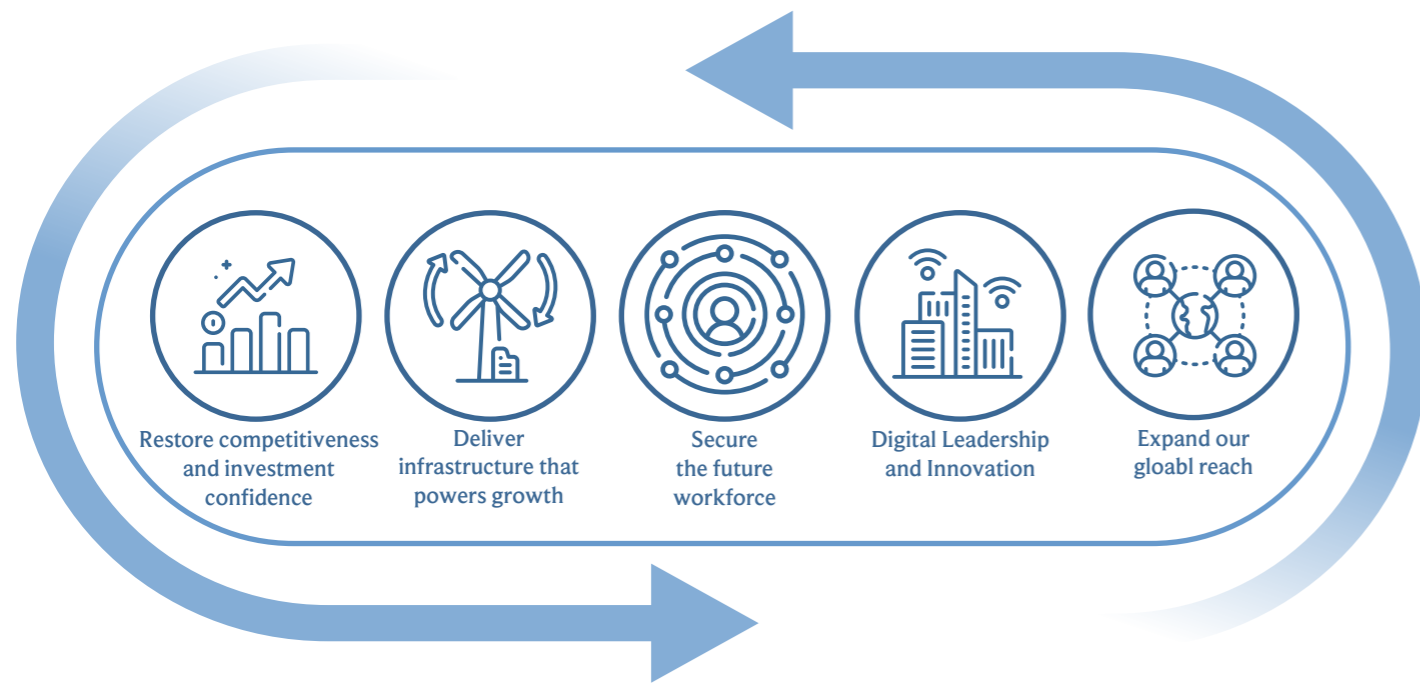
This plan must look decades ahead, but it must also translate into practical progress in the first months and years of the next Parliament. Long-term vision must be matched by immediate delivery.

With the ambition of making Scotland the world's most dynamic business environment by 2050, this plan sets out clear milestones: action within the first Programme for Government; measurable progress within the first year; and tangible outcomes by the end of the Parliament. Meeting these milestones will put Scotland on a credible path to becoming the best place in the world to do business by mid-century.

Thinking beyond Parliamentary cycles is vital to give investors certainty and clarity on the direction of travel; but this must be matched by urgency of delivery to keep the end-goal in sight.

The challenges this plan addresses are well-known: productivity that lags behind competitor nations, an ageing population, and structural constraints in infrastructure, skills, and planning that continue to limit competitiveness.

These challenges are not static, and neither is the approach required to address them. This plan is a living framework that will evolve over time, shaped through continued consultation with businesses, Chambers, and partners as Scotland's economy and global context change.



Our plan is built around five interconnected priorities that are central to moving Scotland beyond these challenges, and toward global competitiveness:

- 1. Restore competitiveness and investment confidence**
- 2. Deliver infrastructure that powers growth**
- 3. Secure the future workforce**
- 4. Create the conditions for digital leadership**
- 5. Expand our global reach**

Together, these priorities will unlock the shift needed to move Scotland from incremental improvement towards a globally competitive economy by 2050. This must be the driving focus of the next Scottish Parliament.



## The Business Mandate for Scotland's Next Parliament

Scotland's business community is clear about what the next Scottish Parliament must deliver to restore competitiveness, unlock private investment, and secure long-term prosperity.

Businesses across Scotland are operating in an increasingly fragile economic climate. Our Quarterly Economic Indicator shows that confidence weakened through 2025, with around 40% of firms reporting a deterioration, and more than twice as many businesses expecting investment to fall as to rise. At the same time, cost pressures continue to weigh on decision-making, particularly around labour and taxation. These are not temporary fluctuations: they are signs of deeper challenges embedded in the economy that require clear choices and sustained action.

This plan sets out the priorities that Scotland's business community expects the next Government to act on. It is an evidence-based mandate for action, shaped by the lived experience of firms operating in every sector and every region of the country.

Backed by Scotland's Chamber Network, the largest and most representative business network in Scotland, this mandate reflects the conditions businesses need to invest with confidence, grow sustainably, and compete internationally. It sets out where Government action is essential, and where business stands ready to invest, innovate, and deliver.

# Our Headline Asks

These priorities respond directly to the challenges our members face today – rising costs, weakening confidence, and falling investment intentions.

Our asks chart a clear course to restoring confidence, unlocking investment, and creating a stronger business environment for firms of every size, sector, and location:



01

## Restore Competitiveness and Investment Confidence

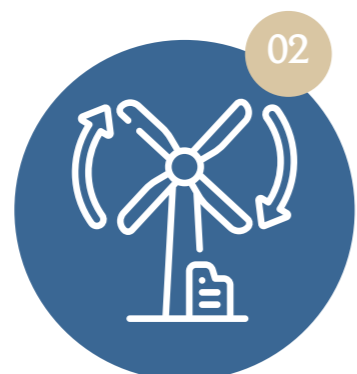
Give businesses the confidence to invest by committing to stable tax and economic policy. Set out multi-year budgets so firms can plan ahead, and test all major economic decisions against whether or not it will make Scottish firms more competitive.



04

## Create the conditions for digital leadership

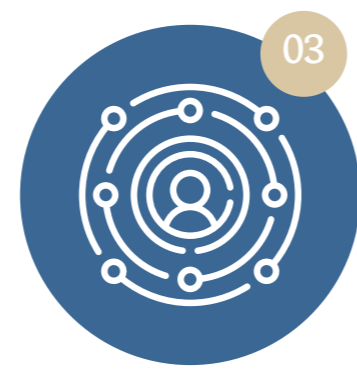
Create a joined-up plan that supports firms to adopt AI, strengthen cyber-security, and improve digital skills, so that businesses can innovate, increase productivity, and compete with confidence.



02

## Deliver infrastructure that powers growth

Speed up the delivery of energy, grid connections, housing, transport, and digital networks. Back a clear, cross-party plan that removes delays and gets projects built at pace, so that businesses can grow.



03

## Secure the future workforce

Make sure that Scotland has the people and skills businesses need to grow by improving training, keeping graduates here, attracting talent from elsewhere, and building strong green skills to support the transition to net zero.



05

## Expand our global reach

Make exporting simpler and more accessible. Improve access to finance, provide better trade data and advice, and involve businesses more directly in shaping trade support so more firms can enter and grow in international markets.



# Regional Policy Priorities

## Inverclyde Chamber of Commerce

Seeking investment in opportunities to consolidate our historical, legacy industries; Securing commitments from local stakeholders for preparing our future workforce for the world of work; and expanding opportunities for the development of vital skills and local infrastructure in key, high-growth industries, such as shipbuilding, logistics/distribution, and green technology.



## Renfrewshire Chamber of Commerce

Maximise the airport-anchored innovation zone by improving surface access to Glasgow Airport, accelerate delivery of AMIDS South, and support exporter pipelines across the Clyde corridor.

## North Highland Chamber of Commerce

Treat the North Highlands as nationally strategic for energy transition, food production and sustainable tourism by rural-proofing policy decisions and investing in resilient transport, healthcare access and workforce support, levelling the playing field for mainland rural businesses.



## Edinburgh Chamber of Commerce

Accelerate business dynamism and ambition by delivering more and better business infrastructure (including housing), investing in innovation and scale up spaces, and prioritising regional, employer-led skills planning to grow Edinburgh's role as a global innovation and investment hub.

## West Lothian Chamber of Commerce

Expand advanced manufacturing and logistics capacity by unlocking road/rail pinch points, grade A industrial space and workforce upskilling across the M8/M9 growth hub. Improve local bus links in the region to ease barriers to hiring.



# Restore competitiveness and investment confidence

## The outcome Scotland must deliver

By 2050, Scotland must be an attractive, compelling, and pro-business economy built on stable and long-term fiscal policy, decisive regulation, and infrastructure that lowers cost pressures while supporting innovation, all serving to attract long-term international investment.

This long-term approach is central to growing the economy, creating the conditions for sustained private investment, higher productivity, and globally competitive businesses across every region of Scotland.

## The case for action

By 2050, Scotland's success will depend on how well the economy responds to a changing world, shaped by technology, the transition to net zero, and shifting global trade patterns.

Today, Scotland faces deep-rooted challenges: productivity that lags behind competitors, investment that's too low, and planning and regulatory systems that can make it harder for businesses to scale. Many firms, especially smaller ones, also struggle with high energy costs, skills gaps, and limited access to finance.

These challenges are already influencing business decisions about where to locate, whether to invest, and how fast to grow. This uncertainty risks Scotland falling behind comparative economies by mid-century.

Without a stable and competitive environment for investment, Scotland cannot unlock the full potential of its clean energy resources, scale digital innovation, attract global talent, or build international markets for Scottish goods and services. Competitiveness is the foundation on which every other ambition in this plan depends.

Yet Scotland starts from a position of strength. We're leaders in renewables, research, and innovation, and we're trusted globally for delivering high-quality products and services. With stable policy and smart regulation, we can turn those strengths into long-term competitive advantages: attracting investment, creating high-value jobs, and ensuring growth reaches every part of the country.

# Policy Recommendations

## 01

### Within the first PfG

- Use existing UK-Scotland business engagement forums to begin aligning reserved and devolved policies on taxation and employment, ensuring that Scotland can offer competitive rates of income and corporation tax, strong returns on capital investment, and attract top talent.
- Help SMEs reduce energy costs by expanding and re-purposing the Scottish Industrial Energy Transformation Fund into a Scottish Business Energy Efficiency Fund, with widened eligibility for SMEs across all sectors. The fund should include simplified application routes, increased grant and loan caps, and ringfenced funding, to reduce business energy costs.
- Urgently reform Scotland's business rates system to improve competitiveness, predictability and fairness, ensuring revaluations do not undermine viable businesses or deter investment, particularly for SMEs and place-based sectors.

## 02

### Within the first year

- Create a pathway to fast-track academic research into commercial ventures, including delivery hubs which foster SME-university collaboration, and targeted tax incentives to encourage co-location between businesses and universities, including on or near campuses and offer industrial placements for researchers.
- Overhaul financial planning by moving to multi-year fiscal planning, publishing transparent fiscal strategies that give investors certainty and align capital investment with Scotland's long-term growth priorities.

## 03

### By the end of the Parliament:

- Benchmark Scotland's competitiveness in starting and growing a business against leading European economies and publish annual progress targets towards a top-five global ranking by 2035.
- Embed long-termism in economic governance, ensuring that all major policy changes are assessed for their impact on business confidence and international competitiveness.

# Case Study

## Ireland's competitiveness model

Ireland's economic transformation over the past two decades has been driven by a consistent focus on competitiveness. Through the National Competitiveness and Productivity Council (NCPC), Ireland has embedded a long-term, evidence-based approach to policy that moves beyond political cycles and prioritises business growth.

The NCPC produces annual reports benchmarking Ireland's performance on productivity, infrastructure, taxation, and skills. These feed directly into the National Development Plan (NDP) and the White Paper on Enterprise 2022–2030, which together provide a joined-up vision for economic growth: balancing fiscal foresight with strategic investment.

### The Key Takeaways

#### ✔ Competitiveness as a long-term national priority

Ireland treats competitiveness as a core national priority, using the NCPC to guide long-term investment and economic strategy.

#### ✔ Evidence-led policy shaping investment decisions

Through the National Competitiveness and Productivity Council, Ireland uses regular benchmarking on productivity, infrastructure, taxation and skills to inform government priorities and guide strategic investment.

#### ✔ Joined-up economic planning

Insights from the NCPC feed directly into national strategies such as the National Development Plan and the White Paper on Enterprise, ensuring alignment between fiscal planning, enterprise policy and long-term growth objectives.

## Lessons for Scotland

Ireland succeeds because competitiveness has been institutionalised and looks beyond short-term politics. Benchmarking economic performance, and embedding competitiveness as a standing national priority, could help Scotland deliver policy consistency and investor confidence – both of which are critical for unlocking growth. Without similar long-term alignment, Scotland risks remaining vulnerable to short political cycles and inconsistent regulatory direction.

# Regional Policy Priorities

## Aberdeen and Grampian Chamber of Commerce

Stronger support for the energy transition including an immediate end to the Energy Profits Levy, doubling the Just Transition Fund to £1bn and deploying at pace. Commitment to reconnect Buchan to the rail network and support city regeneration through active government partnership with the private sector.



## Scottish Borders Chamber of Commerce

Accelerate in-region cross-border connectivity by strengthening the resilience of the A1, A7 and A68 and maximising rail opportunities to unlock access to markets, talent and investment. Alongside infrastructure delivery, prioritise town centre revitalisation, targeted export support for key sectors, and sustained skills development, enabling a high-value, resilient and outward-looking Borders economy.



## Midlothian and East Lothian Chamber of Commerce

Enable sustainable growth by addressing the cost of doing business, improving rail/bus links, digital coverage and serviced employment land so SMEs can scale locally.



## Moray Chamber of Commerce

To support growth, tourism, and workforce mobility, the next Scottish Government must deliver high-speed rural broadband and 5G coverage to enable businesses and enable remote working.

## Ayrshire Chamber of Commerce

Strengthen Ayrshire's economic potential by accelerating strategic transport improvements, strengthening regional skills pipelines, and supporting the development of key sectors including aerospace and advanced manufacturing.



## Inverness Chamber of Commerce

The full dualling of the A96 must be accelerated. Funding must be secured and ring-fenced, and bypasses along the route must be delivered without further delay. The business community has also been calling for years for the non-domestic rates system to be changed. That call has become urgent.



## West Highland Chamber of Commerce

The next Scottish Government must improve the A82 through Fort William, and commit to upgrading the A82, bringing it up to modern trunk road standards.



## Cairngorms Business Partnership

Accelerate delivery of affordable and mid-market housing across the Cairngorms National Park by significantly increasing investment and streamlining planning with local authorities, so businesses can attract and retain staff and communities can sustain year-round economic activity.

## Dundee and Angus Chamber of Commerce

Unlock Tayside's full economic potential by scaling life sciences, advanced manufacturing, and digital and creative industries; supported by strengthened regional infrastructure (including ports and connectivity), employer-led skills investment, and sustained export readiness to drive productivity and international competitiveness.



## Perthshire Chamber of Commerce

Targeted support for energy-intensive sectors, clarity in regulatory requirements, strengthened skills and workforce funding, improved business rates relief and enhanced access to investment schemes.



## Glasgow Chamber of Commerce



Support delivery of Glasgow City Region's strategic projects, including the Investment Zone, city centre revitalisation, airport connectivity, SEC expansion, and regional skills and innovation districts, by accelerating infrastructure funding, improving transport links, and sustaining skills and training investment to secure quality jobs, attract inward investment and strengthen the city's global competitiveness.



## Lanarkshire Chamber of Commerce

Address rising business costs through modernisation of the non-domestic rates system to encourage expansion and long-term investment. Strengthen employer-led skills pipelines through accelerated, flexible training pathways in logistics, advanced manufacturing, engineering, and digital operations, developed collaboratively with colleges and industry to meet fast-growing workforce demand across Lanarkshire.

# Deliver infrastructure that powers economic growth

## The outcome Scotland must deliver

By 2050, Scotland must have resilient, climate-ready infrastructure that powers growth and connects every community. Affordable, zero-carbon homes, clean energy systems, and seamless transport links, including digital connectivity, will lower the cost of doing business, attract investment and talent, and support a globally competitive, regionally inclusive economy.

This approach accelerates progress towards net zero by deploying clean energy at scale, improving energy efficiency, and ensuring the transition strengthens economic resilience and communities across Scotland.

## The case for action

Infrastructure underpins every dimension of economic performance, from competitiveness and productivity to regional growth and population sustainability: yet Scotland's current systems are under sustained strain.

Businesses face grid capacity constraints, patchy digital connectivity, and transport links that too often resemble a postcode lottery. A chronic shortage of housing adds to these pressures, making it harder to attract investment and talent. Together, these constraints suppress productivity and risk leaving communities behind as the economy transitions and digitalises.

Recent experience underlines the cost of inaction. Energy curtailment in the first half of 2025 cost Scotland over £150 million, while rural areas struggle with connectivity that limits productivity and the ease of doing business. If unresolved into the 2030s, these issues will delay clean energy deployment, deter investment in priority sectors, and deepen regional inequality — the opposite of what is required to build a competitive global economy.

Infrastructure is therefore the enabler of every other pillar outlined in this plan. Long-term, cross-party investment commitments are essential to lowering business costs, supporting population mobility and retention, accelerating innovation, and strengthening Scotland's connection to global markets

# Policy Recommendations

## 01

### Within the first PfG

- Enhance Scottish businesses' connectivity through the expansion of R100 into a Connectivity for Growth Programme, which provides high-speed broadband and 5G coverage nationwide, and is supported by clear Ministerial accountability for tackling digital exclusion.
- Recognising the housing crisis, treat housing as critical economic infrastructure, committing to deliver 25,000 homes annually across all tenures, backed by long-term investment certainty and a presumption in favour of development. Ensure all new housing meets high energy-efficiency and climate-resilience standards to future-proof communities.
- Commit to a managed transition for Scotland's oil and gas sector that supports continued domestic production where viable, provides fiscal and regulatory certainty for investment, and sequences decommissioning and clean energy deployment to protect energy security, retain skills, and sustain North East supply chains.
- Establish a National Energy Infrastructure pact between the Scottish and UK Governments, Ofgem, and network operators to accelerate grid consenting, streamline planning for strategic energy projects, and deliver coordinated investment to unlock Scotland's renewable potential.

## 02

### Within the first year

- Deliver a National Infrastructure Acceleration Plan that sets out clear project timelines and regional investment targets. Formally partner with Chambers of Commerce to help shape and prioritise regional infrastructure plans which align national priorities with local economic needs as a matter of priority.
- Accelerate grid and storage capacity with a dedicated £2 billion fund for clean power infrastructure: to reinforce transmission, deploy 5 GW battery and long-duration storage by 2030, and unlock current renewable capacity.
- Prioritise investment in Scotland's trunk road network through a coordinated upgrade programme that addresses critical corridors across the country. This should include delivering on existing commitments such as the A9 Dualling Programme and accelerating much needed upgrades still waiting for final sign off from government, such as the A96 dualling, the A82 corridor and A75/A77 improvements.

## 03

### By the end of the Parliament:

- Introduce a Scotland 2050 Infrastructure Bill – a cross-party, cross-sector commitment which anchors long-term investment priorities across housing, transport, energy, and digital connectivity.
- Establish an Infrastructure and Economic Resilience Committee to provide independent oversight, publish annual progress reports, hold Government to account on delivery, and give investors the confidence to commit to Scotland's long-term infrastructure strategy.

# Case Study

## Denmark's Infrastructure Plan 2035

Denmark's Infrastructure Plan 2035, which committed €165 billion to transport, energy, and connectivity upgrades through to 2035, shows how long-term, cross-party infrastructure agreements can drive growth. Structured around two investment phases (2021 – 2028 and 2029 – 2035), with rolling reviews, the plan sets out spending priorities including rail electrification, major tunnelling projects, and cross-border port and freight connections. The plan drives predictability, integration, and takes forward the just transition, with implementation overseen by cross-party committees and supported by local and regional partnerships.

### The Key Takeaways

#### ✔ Long-term certainty unlocks investment

Denmark's Infrastructure Plan 2035 shows how long-term, cross-party agreements provide businesses and investors with the certainty needed to commit capital and plan for growth over decades.

#### ✔ Phased delivery with clear priorities

By structuring investment across defined phases with regular reviews, Denmark has been able to modernise transport, energy and connectivity in a coordinated and disciplined way, while adapting to changing needs over time.

#### ✔ Integrated and collaborative delivery

Implementation is overseen by cross-party committees and delivered in partnership with local and regional bodies, ensuring infrastructure investment supports national growth while meeting local and regional priorities.

## Relevance to Scotland

Denmark's approach shows that long-term, cross-party infrastructure planning can give investors and communities the confidence to commit. Regular, independent reviews can ensure national projects reflect local business needs, reduce political risk, and accelerate delivery. Infrastructure transformation does not happen overnight: consistency across several Parliaments, underpinned by a long-term plan, is critical to this.



# Secure the future workforce

## The outcome Scotland must deliver

By 2050, Scotland must be a magnet for talent, powered by a workforce system that delivers high-value jobs, a strong and responsive skills pipeline, and sustained population growth. Towns and cities will thrive as a result of a strategic approach to migration, education, and a workforce development system that drives growth and embeds long-term resilience.

In a net zero future, Scotland will need both new technical skills and the capacity to reskill existing workers at scale. The priority is not just creating “green jobs” but ensuring that workers in existing sectors can move into new roles without being left behind, and that employers can find the talent they need to invest and grow.

## The case for action

Scotland's population grew by +0.7% in 2023-24, but this was entirely driven by migration. Without it, Scotland would be in natural population decline – a trend set to intensify in the coming decades. At the same time, recent UK visa restrictions are reducing the number of skilled workers entering Scotland's labour market, particularly in sectors such as health, hospitality, and construction, while skilled Scottish talent is increasingly drawn abroad by more competitive salaries and clearer career pathways.

The challenge is clear: our recent polling of firms shows that current migration policies are holding businesses back. Impacts of current policy include increasing hiring costs and missed opportunities for growth.

Alongside these demographic pressures, Scotland's colleges and universities face a perfect storm of falling international student numbers, rising operational costs, and insufficient investment in Scottish learners. Together, these challenges threaten the pipeline of over one million skilled workers required to meet Scotland's long-term economic priorities. There is growing consensus across the sector that Scotland now requires a fundamental review of how tertiary education is funded, structured, and aligned to national economic priorities.

Without urgent action, persistent skills shortages will continue to weaken Scotland's growth potential, limit innovation capacity, and increase fiscal pressures well into 2050. Skills, migration, and education remain central pillars of long-term economic sustainability, yet businesses have faced sustained recruitment difficulties since the last Scottish Election.

A resilient labour market with access to secure, well-paid work is also critical to eradicating child poverty. Evidence from the Joseph Rowntree Organisation has shown that sustained employment, progression opportunities, and skills pathways are the most effective long-term tools for increasing household incomes and reducing reliance on public support.

To address these challenges, Scotland must build on its globally respected higher education system and internationally recognised workforce development model to create an environment in which people want to live, learn, and work. A bold, coordinated approach to talent attraction, retention, and skills development will unlock private investment, boost productivity, and place Scotland on a stronger competitive footing internationally.

# Policy Recommendations

## 01

### Within the first PfG

- Create single, joined-up workforce system with time-bound, measurable workforce 'readiness' targets set in consultation with employers, covering education, and training labour market skills.
- Pilot targeted tax or income incentives to attract and retain young and skilled workers, drawing on international models such as Portugal's Youth IRS Scheme. The next Scottish Government should jointly explore how devolved tax powers can support early-career talent to live and work in Scotland.
- Prioritise future skills by working with colleges across Scotland to secure public and private investment in regional skills hubs focused on national priority areas such as STEM, AI, and green technologies, building on proposals like the UHI STEM Centre to support regional growth and workforce resilience.

## 02

### Within the first year

- Stabilise and reform university funding by committing to an evidence-led review of the long-term sustainability of Scotland's higher education model, recognising the true cost of teaching, research, and skills provision, and the importance of UK-wide research funding linkages. As an immediate step, provide transitional funding certainty, including targeted real-terms uplifts and reform funding - to prevent further course closures and protect the pipeline of graduate-level skills critical to Scotland's economy.
- Deliver a reformed college funding model that reflects the true cost of high-demand and capital-intensive courses, strengthens employer-led apprenticeships, and supports colleges as anchor institutions for regional skills delivery - particularly in areas facing depopulation or industrial transition.
- Secure investor confidence by delivering a clear, long-term net zero skills strategy. Businesses need to see a single, coherent framework that links climate targets, industrial strategy, regional development, and skills planning. This should also be flexible for regional tailoring, ensuring that training provision matches local opportunities.

## 03

### By the end of the Parliament:

- Seek greater flexibility in Scotland's migration policy, allowing the bandwidth to address depopulation and long-term skills shortages, such as regional visa pilots, while also expanding relocation schemes for key sectors.

# Case Study

## Portugal's IRS Jovem Scheme

Portugal has one of the highest emigration rates in Europe, with around 30% of young people born in the country now living and working abroad. To address this "brain drain" and stimulate domestic economic activity, the Portuguese Government introduced the IRS Jovem Scheme: a tax incentive designed to retain and attract early-career talent.

The scheme offers a 100% Income tax exemption on earnings up to €28,737.50 in the first year, with the exemption gradually tapering to 25% by years 8–10. This long-term, inclusive approach delivers two key benefits:

- Retaining young professionals by boosting their take-home pay during the most financially vulnerable stage of their careers.
- Encouraging return migration and economic participation, particularly in sectors and regions facing labour shortages.

Since implementation, the scheme has since been expanded to include a broader age range (up to 35) and is open to both domestic and international workers, making it a significant tool for population retention and workforce renewal.

### The Key Takeaways

#### ✓ Targeted tax incentives can retain and attract talent

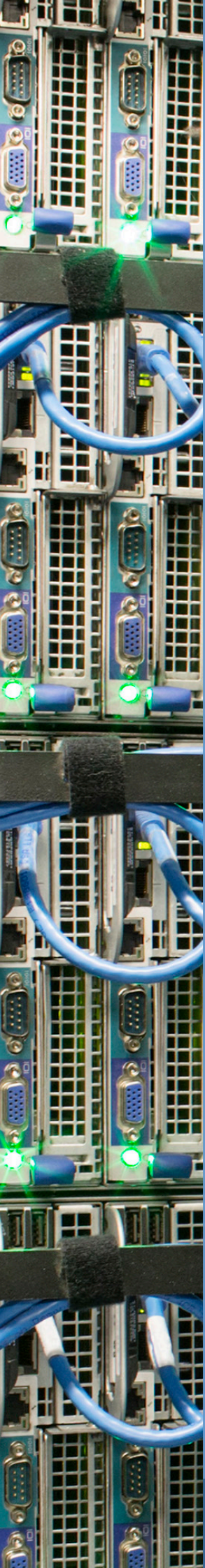
Portugal's IRS Jovem Scheme demonstrates how targeted tax relief for early-career workers can reduce emigration, improve retention, and make a country more attractive to both domestic and international talent.

#### ✓ Long-term support strengthens workforce resilience

By offering tapered tax incentives over a number of years and extending eligibility up to age 35, the scheme supports workforce renewal, encourages return migration, and helps address labour shortages across key sectors and regions.

## Lessons for Scotland

A similar early-career tax incentive could help Scotland retain graduates, attract skilled migrants, and support regional growth, particularly in areas facing depopulation and skills shortages. Integrating such incentives into devolved tax powers could significantly strengthen workforce resilience over the long-term.



# Create the conditions for digital leadership

## The outcome Scotland must deliver

By 2050, Scotland must be a world leader in trusted and sustainable digital innovation, enabling businesses to grow, adapt, and compete with confidence. By harnessing trusted AI and green data centres, Scotland will use its agility to test new ideas and deploy scalable solutions, empowering businesses to turn innovation into global success stories.

## The case for action

Technology is reshaping the global economy at a pace that policy and institutions are struggling to match. Early adopters of AI are already seeing significant gains, with more than eight in ten Scottish firms using AI reporting increased productivity and profitability. Yet many businesses remain locked out, held back by uncertainty, skills gaps, and limited access to the right digital infrastructure.

Firms are clear about what they need to make better use of AI. Seven in ten are looking for more training and upskilling, six in ten say additional funding support would help them adopt AI more effectively.

At the same time, cyber threats are escalating in both scale and cost. UK firms faced more than 2.3 million cyber incidents in 2024, with Scottish SMEs losing an estimated £386 million each year.

Cybersecurity is a challenge for one in four Scottish firms. As more businesses plan to scale up their use of AI, that number is likely to increase, especially as cyber threats keep evolving.

Without decisive action, Scotland risks developing a two-tier digital economy: one part dynamic and high growth, the other exposed, under-supported, and increasingly uncompetitive.

A digitally confident, productive economy is essential to sustaining high-quality public services. Productivity growth, digital adoption, and cyber resilience increase the tax base, reduce system pressures, and enable public services to modernise while remaining financially sustainable.

To secure long-term competitiveness, Scotland needs a coordinated national approach that brings together AI adoption, strong digital connectivity, modern data infrastructure, cyber resilience, and the skills required for safe and confident uptake across the economy.

# Policy Recommendations

## 01

### Within the first PfG

- Launch Digital Ready Scotland, a national campaign to help firms improve their cyber resilience and confidence in using digital tools. The campaign should signpost businesses to existing support like CyberScotland, run practical workshops with experts, and, where demand exists, establish regional cyber support hubs.
- Pilot subsidised cyber-resilience training for SMEs, ensuring every participating business has a named cyber lead and clear escalation routes.
- Establish a Scottish AI Responsibility Framework, co-designed by business, Government, and academia, to support safe and confident AI adoption and give investors and customers confidence in Scotland's digital economy.

## 02

### Within the first year

- Empower businesses to test digital products and AI tools in real-world settings with proportionate regulatory protections through a regulatory sandbox, building on CivTech and existing innovation programmes.
- Introduce a Digital Skills Guarantee, ensuring that every learner in Scotland, from early secondary through adulthood, has access to consistent, up-to-date digital, data, and cyber skills. The Guarantee would build on Curriculum for Excellence and college provision, ensuring young people gain the confidence to use technology safely and productively long before entering the workforce, guaranteeing a long-term pipeline of innovators in Scotland's future workforce.
- Designate cyber resilience as a public good, and a critical national resilience priority, partnering with business and civil society to align skills development, threat-sharing and SME support across every region.

## 03

### By the end of the Parliament:

- Launch a national mission to make Scotland the world's most trusted digital economy by 2050, tackling this security risk by integrating AI adoption and cyber resilience into one growth strategy.

# Case Study

## Singapore's Smart Nation Strategy

Singapore is globally recognised for its Smart Nation initiative: a comprehensive national programme integrating digital identity, AI, cybersecurity, and public service innovation. The strategy is underpinned by strong government leadership, investment in digital infrastructure, and open collaboration with the private sector.

Singapore has rolled out nationwide AI and Internet of Things applications across urban planning, healthcare, public transport, and finance while maintaining high standards for data protection and trust.

### The Key Takeaways

#### ✓ Clear national leadership accelerates digital transformation

Singapore's Smart Nation initiative shows how strong, coordinated leadership can drive large-scale digital adoption across government, business and public services.

#### ✓ Investment in digital infrastructure unlocks innovation

By investing early in digital identity, AI, connectivity and cybersecurity, Singapore has created the foundations for widespread innovation across sectors including healthcare, transport and finance.

#### ✓ Trust and collaboration underpin success

High standards for data protection, combined with close collaboration between government and the private sector, have helped build trust and enable the safe deployment of advanced digital technologies.

## Lessons for Scotland

Singapore demonstrates that digital transformation at a national scale requires coordinated governance, resilient digital infrastructure, and secure data frameworks. Scotland can emulate this approach by integrating smart systems across public and private sectors, ensuring trust and innovation go hand-in-hand.

# Expand our Global Reach

## The outcome Scotland must deliver

By 2050, Scotland must be a leading exporter, characterised by diversified global markets, accessible and competitive export finance, and a coordinated approach to trade that aligns devolved and reserved powers. Following the example of the International Trade Partnership, this can take the form of a new flagship model of business – government cooperation with tangible impact.

## The case for action

Scotland's future prosperity depends on its ability to compete internationally – yet too many businesses face barriers to exporting and scaling in global markets. Export performance remains uneven, with many businesses lacking the capacity or confidence to enter and scale in international markets. Trade support services are fragmented, and limited data makes it difficult to build a clear, timely picture of what is happening across Scotland's exporting economy. Mitigation efforts against global headwinds provide limited cover to firms already grappling with increased costs.

These constraints are holding back productivity and growth. Too much of Scotland's economy remains reliant on domestic demand, leaving businesses exposed to local shocks and limiting opportunities to scale. Smaller firms in particular struggle with export readiness, compliance requirements, and market intelligence, while high-potential scale-ups often lack access to the finance needed to enter new markets.

Without clearer pathways from innovation to international sales, Scotland risks falling behind competitor economies.

Other small nations are moving faster to align trade policy, finance, and skills, behind a joined-up national strategy. Scotland has world-class strengths in energy, manufacturing, food and drink, and professional services: but these advantages are not yet translating into sustained export growth at the scale required.

Without decisive action, Scotland risks stagnation in productivity and competitiveness. A more coordinated model is needed: one that makes exporting simpler, improves access to finance, involves business directly in trade delivery, and provides reliable data to guide investment and policy. The challenge is to build a dynamic, outward-looking economy that diversifies markets, strengthens resilience, and enables more Scottish firms to compete, and succeed, on the global stage.

# Policy Recommendations

## 01

### Within the first PfG

- Deliver a reliable, independent Scottish trade data capability within the NRS or an existing national trade statistics body to provide timely insight into export performance.
- Expand SME export readiness through a national programme delivered in partnership with the Chamber Network, offering market-entry support, compliance guidance, and digital export assistance, building on the Scotland Goes Global partnership.

## 02

### Within the first year

- Make it easier for firms to start exporting by fast-tracking the expansion of UK Export Finance (UKEF), aiming to expand its budget to £100bn and launch its SME Export Insurance product as soon as possible.
- Expand export finance for scale-ups by piloting Export Growth Loans backed jointly by UKEF and an expanded-remit Scottish National Investment Bank, that can directly support internationally focussed firms.
- Embed businesses and Chambers directly into trade policy design by accrediting Chambers of Commerce and other private sector organisations as recognised delivery partners for trade support, with both a mandate to deliver trade policy and channels of accountability to measure export growth.

## 03

### By the end of the Parliament:

- Aim for a 50% increase in Scotland's share of global trade by 2050, reflecting a shift toward higher-value, more diversified, and services-led exports, supported by coordinated UK-Scottish Government delivery and business-led economic diplomacy.
- Diversify Scotland's exports, by increasing the share of Scottish trade going to high-growth global markets outside the EU and North America to at least 20%, supported by long-term, business-led market exploration programmes and trade missions.

# Case Study

## New Zealand's Trade for All Strategy

New Zealand's Trade for All Strategy (2018) redefined trade policy as a shared national mission focused on sustainability, inclusion, and long-term competitiveness.

It embedded business networks and regional representation into trade decision-making and prioritised diversification across the Asia-Pacific and through digital trade.

New Zealand grew its exports to GDP ratio from 26% to 33% in five years, while building broad domestic legitimacy by linking trade policy to regional development and environmental objectives.

### The Key Takeaways

#### ✔ Trade policy works best when it is inclusive and region-led

New Zealand's Trade for All Strategy shows the value of embedding business networks and regional voices into trade decision-making, helping build broad support and ensuring trade delivers benefits across the whole economy.

#### ✔ Diversification strengthens long-term competitiveness

By prioritising market diversification across the Asia-Pacific and digital trade, New Zealand increased exports as a share of GDP while aligning trade policy with regional development and sustainability objectives.

## Lessons for Scotland

New Zealand demonstrates the value of embedding structured business participation in trade policy design. By directly involving Chambers and exporters in decision-making, Scotland can ensure its trade strategy reflects real market opportunities and regional strengths. A Scottish "Trade for All" approach would strengthen coherence, confidence, and delivery.

## International trade support

The Network runs outward trade missions and market access programmes, helping Scottish companies tap global opportunities.

## Representing 50% of Scotland's Private Workforce

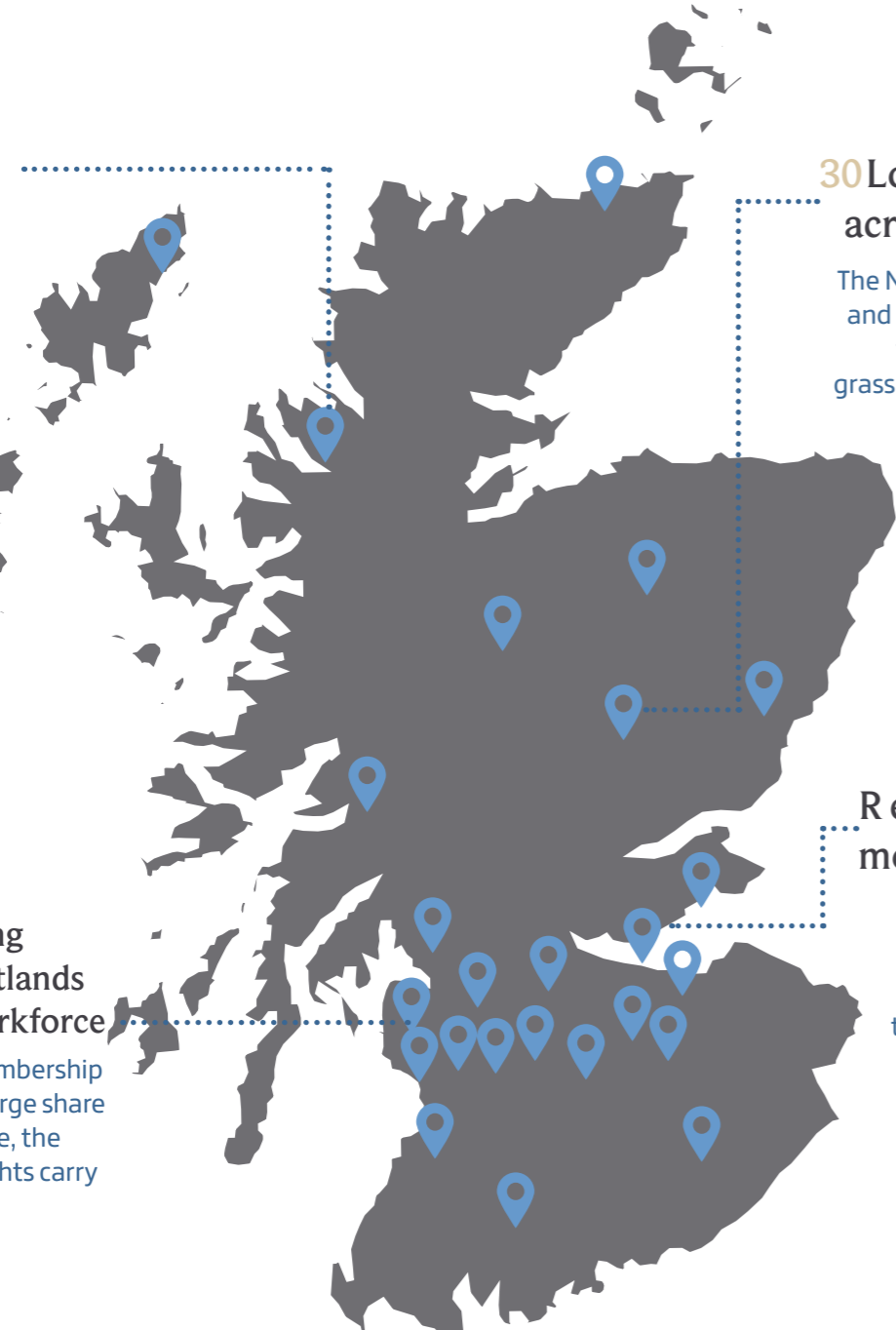
Because its membership covers such a large share of the workforce, the Network's insights carry weight.

## 30 Local Chambers across Scotland

The Network spans towns and cities from Caithness to Dumfries, giving it grassroots reach and local legitimacy.

## Representing more than 12,000 companies

With thousands of member businesses, the Network provides a broad base of representation.



# Scotland's Champions of Business

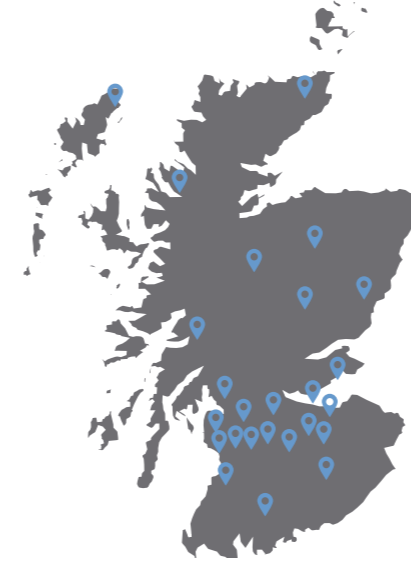
The Scottish Chambers of Commerce Network represents thousands of businesses of every size and sector, operating in every part of the country. Through 30 local Chambers, the Network acts as a unified voice for Scotland's business community, championing enterprise, investment and economic growth.

The Network plays a central role in connecting business with government at every level, ensuring that national policy reflects the real challenges and opportunities facing employers across Scotland. It also provides direct support

to help firms trade, innovate and grow at home and internationally through export services, skills initiatives and market development programmes.

Collectively, the Chambers' impact extends far beyond individual businesses. By fostering local leadership, supporting entrepreneurship and encouraging collaboration, the Network strengthens Scotland's regional economies and helps create the conditions for sustainable, inclusive growth.

# The Chamber Directory



**Dunbartonshire Chamber of Commerce**  
Whitecrook Business Centre, 78 Whitecrook Street, Clydebank, G81 1QF  
T: 0141 280 0272 | E: admin@dunbartonshirechamber.co.uk  
[www.dunbartonshirechamber.co.uk](http://www.dunbartonshirechamber.co.uk)  
President: Mary Ann Smith

**Dundee & Angus Chamber of Commerce**  
37 City Quay, Camperdown Street, Dundee, DD1 3JA  
T: 01382 228545 | F: 01382 228441  
E: info@dundeeandanguschamber.co.uk  
[www.dundeeandanguschamber.co.uk](http://www.dundeeandanguschamber.co.uk)  
Chief Executive: Alison Henderson  
President: Kelly Fairweather

**East Renfrewshire Chamber of Commerce**  
1 Golf Road, Clarkston, East Renfrewshire G76 7HU  
T: 0141 255 0465 | E: info@eastrenfrewchamber.org.uk  
[www.eastrenfrewchamber.org.uk](http://www.eastrenfrewchamber.org.uk)  
President: John Hamilton

**Edinburgh Chamber of Commerce**  
40 George Street, 2nd floor Edinburgh, EH2 2LE  
T: 0131 221 2999 | F: 0131 261 5056 |  
E: info@edinburghchamber.co.uk  
[www.edinburghchamber.co.uk](http://www.edinburghchamber.co.uk)  
Chief Executive: Liz McAreavey  
President: Pamela Smyth

**Fife Chamber of Commerce**  
Office 46, Flexspace, John Smith Business Park, 1 Begg Road, Kirkcaldy, Fife, KY2 6HD  
T: 07807 023524 | E: info@fifechamber.co.uk  
[www.fifechamber.co.uk](http://www.fifechamber.co.uk)  
Chief Executive: Stephen Percy-Robb  
President: Colin Brown

**Forth Valley Chamber of Commerce**  
Scion House, Stirling University Innovation Park, Stirling, FK9 4NF  
T: 07843 158667 | E: info@forthvalleychamber.co.uk  
[www.forthvalleychamber.co.uk](http://www.forthvalleychamber.co.uk)  
President & CEO: Lynn Harris

**Glasgow Chamber of Commerce**  
30 George Square, Glasgow, G2 1EQ  
T: 0141 204 2121 |  
E: chamber@glasgowchamberofcommerce.com  
[www.glasgowchamberofcommerce.com](http://www.glasgowchamberofcommerce.com)  
Chief Executive: Stuart Patrick  
President: Fiona Docherty

**Inverclyde Chamber of Commerce**  
Room 5, Victoria House, 5 East Blackhall Street, Greenock, PA15 1HD  
T: 01475 806824 | E: admin@inverclydechamber.co.uk  
[www.inverclydechamber.co.uk](http://www.inverclydechamber.co.uk)  
President: Lizzy Todd

**Inverness Chamber of Commerce**  
Metropolitan House, 31-33 High Street, Inverness, IV1 1HT  
T: 01463 718 131 | E: info@inverness-chamber.co.uk  
[www.inverness-chamber.co.uk](http://www.inverness-chamber.co.uk)  
Chief Executive: Colin Marr  
President: Marc Wilson

**Dumfries & Galloway Chamber of Commerce**  
Eskdale House, The Crichton, Bankend Road, Dumfries, DG1 4ZZ  
T: 01387 270866 | E: admin@dgchamber.co.uk  
[www.dgchamber.co.uk](http://www.dgchamber.co.uk)  
President: Kenny Bowie

**Lanarkshire Chamber of Commerce**  
Camloch Chamber, 7-31 Castle Street, Hamilton, ML3 6BU  
T: 01698 312088 | E: hello@lanarkshirechamber.org.uk  
[www.lanarkshirechamber.org.uk](http://www.lanarkshirechamber.org.uk)  
Director & Chief Executive: Tracey Campbell-Hynd

**Midlothian & East Lothian Chamber of Commerce**  
Hercules House, Eskmills, Station Road, Musselburgh EH21 7PQ  
T: 0131 603 5040 | E: info@melcc.org.uk  
[www.melcc.org.uk](http://www.melcc.org.uk)  
Chief Executive: Karen Ritchie  
President: Keith Barbour

**Moray Chamber of Commerce**  
Alexander Fleming House, 8 Southfield Drive, Elgin, Moray, IV30 6GR  
T: 01343 543344 | E: info@moraychamber.co.uk  
[www.moraychamber.co.uk](http://www.moraychamber.co.uk)  
Chief Executive: Sarah Medcraf  
President: Graham Alexander

**Outer Hebrides Chamber of Commerce**  
Stornoway Business Hub, Stornoway, HS1 2XG, Isle of Lewis  
T: 07939 450 276 |  
E: info@outerhebrideschamber.co.uk  
[www.outerhebrideschamber.co.uk](http://www.outerhebrideschamber.co.uk)  
Chief Executive: Lynne Maciver  
President: John Moffat

**Perthshire Chamber of Commerce**  
Saltire House, 3 Whitefriars Crescent, Perth, PH2 0PA  
T: 01738 448 325 | F: 01738 450 402  
E: info@perthshirechamber.co.uk  
[www.perthshirechamber.co.uk](http://www.perthshirechamber.co.uk)  
Chief Executive: Lucy Weir  
President: Kerr Elliott

**Renfrewshire Chamber of Commerce**  
Bute Court, St Andrews Drive  
Glasgow Airport, Paisley, PA3 2SW  
T: 0141 847 5450 | F: 0141 847 5499  
E: info@renfrewshirechamber.com  
[www.renfrewshirechamber.com](http://www.renfrewshirechamber.com)  
Chief Executive: Bob Grant  
President: Ronald Leitch

**Scottish Borders Chamber of Commerce**  
27 North Bridge Street, Hawick, TD9 9BD  
T: 01835 340770 |  
E: chairman@borderschamber.com  
[hello@borderschamber.com](mailto:hello@borderschamber.com)  
Chair: Trevor Jackson

**West Highland Chamber of Commerce**  
Waterfront Lodge, Marine Walk, Carmichael Way, Fort William, PH33 6FF  
T: 01397 705 765  
E: membership@westhighlandchamber.co.uk  
[www.westhighlandchamber.co.uk](http://www.westhighlandchamber.co.uk)  
Chief Executive: Frazer Coupland  
Chairperson: Sarah Riddle

**West Lothian Chamber of Commerce**  
Systems House, Alba Centre, Alba Business Park, Rosebank, Livingston, EH54 7EG  
T: 01506 414808  
E: chamber@wlchamber.com  
[www.wlchamber.com](http://www.wlchamber.com)  
Chief Executive: Linda Scott  
Chair: David Goodacre OBE

# A Plan for **Growth**

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199 Cathedral Street  
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