

Implementation Report

Global Economy Project

Global Trade Centre Development Plan

North London – Pan-London

FINAL

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CONTENTS

- 1 Executive Summary**
 - 2 Terms of Reference**
 - 3 Recommendations**
 - 4 Global Trade Centre Development Objectives**
 - 5 Global Economy Project**
 - 6 Conclusions**
 - 7 Events**
- Appendix 1**

1 Executive Summary

London is the only Capital City in Europe with a significant African and Caribbean business presence. This sustainable comparative advantage means that the integrated support services of North London are best placed to lead an International Network which engages the rest of the world, in general, and the European Union, in particular.

Various government reports, initiatives and programmes focus on international trade as an essential activity with regards to UK competitiveness. This means more and better services that, in global terms, require knowledge, skills and participation from all communities.

New relationships, and partnership agreements with academic institutions, are essential to ensure that previous empirical research is factored into the strategic thinking of policy makers and their fund holders. These institutions can also assist with the development of support programmes and ongoing research that reflects the realities of the current economic environment and the impact of local decision makers.

The integrated partnerships and forums of the North London sub-region will be strengthened as a result of the inclusion of the GTC and its primary target groups.

The GTC is a national resource in a unique position to play a significant role in the current reshaping of systems and services. Future trends indicate the emergence of a new era of trade and development linked to cultural enterprise, building on Commonwealth cultural heritage and ties of a creative and practical nature.

The harmonisation strategy of the Global Economy Project allows the 'Go Global' campaign to act as the engine for a resurgence of client-led collaboration, trust and co-operation.

This Project will stimulate the adoption of international trade as a local development instrument for business education, training and skills development. This should result in an improvement in the long-term viability and growth prospects of new and existing enterprises.

2 BLLN Terms of Reference

1. Determine and describe a strategic business plan that effectively exploits the particular skills and specialism of GTC Directors and staff, experience and networks.
2. Describe how the Centre would become part of a pan-London strategy – highlighting the particular benefit to Black and Ethnic Minority businesses in North London.
3. Describe how the development of GTC strengthens the Synergy Project's *'Business and Economic Development Programme'*.
4. Assess the ability of the Centre to deliver outstanding contracts and to recommend and implement any appropriate remedial action required to fulfil these contractual obligations.
5. Evaluate the opportunity for the viable sustainability of the costed strategic plan through generation from commercial trading, public sector funding and/or private sector sponsorship.
6. Prepare and submit, with the formal agreement of any matching funders, an SRB project Appraisal based on the *'Global Economy Project'* or any alternative project proposed with the agreement of the Board.

3 Recommendations for BLLN Terms of Reference

3.1 Determine and describe a strategic business plan that effectively exploits the particular skills and specialism of GTC staff, experience and networks.

Action:

The Global Economy Project provides a strategic framework that enables GTC to effectively target the present high level of unmet demand and focus on directing current GTC Business Support Services towards encouraging international trade.

GTC staff have a unique perspective of good practice and ethical trade issues and can offer a combined package of cultural insights, linguistic skills and research capabilities.

GTC has a formidable network of overseas contacts with UK representation and provides the requisite environment to build long-term relationships.

3.2 Describe how the Centre would become part of a pan-London strategy, highlighting the particular benefits to Black and ethnic minority businesses in North London.

Action:

GTC is well placed to participate a campaign to promote a 'Go Global' initiative. The Global Economy Project will position GTC at the centre of the International Trade promotion campaign strategies targeted at London that are currently being undertaken by Government Departments, Agencies and the Chamber movement.

GTC existing skills and specialist knowledge, databases and networks, will be highlighted as an important asset for London as it attempts to position itself at the centre of Europe's trading relations with African and Caribbean countries.

GTC can play an integral part in a series of interlocking conferences, seminars and networking events attracting businesses from across the London region.

Businesses requiring support in London and the rest of the UK will, therefore, be at the forefront of the international trade information feeding process between these markets.

3.3 Describe how the development of GTC strengthens the Synergy Project's 'Business and Economic Development Programme'.

Action:

This is a mechanism for intermediary development and the harmonisation and integration of actions between GTC, HBDA, BBA: programmes that focus their activities directly in support of Black & Ethnic minority enterprise development.

Traditionally these groups have been the most difficult to reach and therefore have not benefited from the full range of quality service provision. GTC has a clear and unique opportunity to create and exploit a British African/Caribbean trade development partnership strategy with British Trade International and its main operational service, Trade UK.

The introduction and application of Management Best Practice would combat the lack of development of African and Caribbean enterprises within the UK. Lack of development regionally and nationally of these organisations has frequently been as a result of the absence of long-term planning, continual linkage and sustainable support.

The development of the GTC will enable the local delivery of international trade services and strengthen the interrogation of existing Black & Ethnic Minority databases to encourage e-business, information technology, marketing and access to finance, through the creation of the 'Go Global' communication and action plan.

3.4 Assess the ability of the Centre to deliver outstanding contracts and to recommend and implement any appropriate remedial action required in order to fulfil these contractual obligations.

Action:

The Centre in partnership with BLLN is able to deliver, as evidenced by the success of the International Trade workshop at the Enterprise in Cultural Diversity Conference. (see attached appendix).

3.5 Evaluate the opportunity for the viable sustainability of the costed strategic plan through income generation from commercial trading, public sector funding and/or private sector sponsorship.

Action:

Business Plan submitted April 2000.

3.6 Prepare and submit, with the formal agreement of any matching funders, an SRB Project Appraisal based on the 'Global Economy Project any alternative project proposed with the agreement of the Board.

Action:

SRB 6 expression of interest submitted 3rd March 2000.

4 Global Trade Centre Development Objectives

A central objective of the Global Trade Centre (which was set up with the help of the NLTEC), *'is specifically to help develop international trade opportunities for local businesses and new entrepreneurs, utilising those advantages created by this local diversity.'*³

The GTC is therefore the obvious vehicle for co-ordinating and promoting the Global Economy Project and should aim to integrate its future work into the Regional Dynamism and Regional Diversity plans for the mutual benefit of both sides.

4.1 Joint Development Plan

A preliminary analysis of the GTC's draft Development Plan has indicated that the following eight objectives would be appropriate as the main components of the Joint Development Programme:

- I. Widening the GTC's current geographical base.
- II. Expanding, widening, consolidating and formalising the GTC's links with a range of other countries and their embassies/consulates.
- III. Improving and formalising the GTC's existing and establishing appropriate new links with relevant and complementary regional, national and trans-national agencies.
- IV. Expanding and improving the GTC's range of specialist networks and databases.
- V. Developing and establishing the GTC's "Human Resources" dimension.
- VI. Improving the communications tools of the GTC.
- VII. Clarifying, strengthening and formalising the working relationships between the GTC and the NLTEC/BLLN and other local Partners, including "integrating" appropriate elements of their respective work programmes and "joint branding".
- VIII. Securing a three-year funding programme consistent with the Plan.

³Excerpt from the 'Global Economy Project', Global Trade Commission Centre Discussion Paper, agreed by the GTC Board, July 1999

5 Global Economy Project

5.1 Synergy Project Harmonisation Strategy

Within North London, the harmonisation of intermediaries and business advice (with support from NLTEC/BLLN programmes and resources) is vital to the provision of future client-led services.

The development of a harmonious and joint-branded competitive strategy is essential to encourage international trade with businesses based in North London, in particular, and pan-London, in general.

The Synergy Project is the catalyst for this harmonisation initiative and is designed to implement the integration of all target groups into mainstream local and international activities.

5.2 The Global Economic Project: Way Forward

The Global Economy Project will be delivered through the Synergy Project's '**Business and Economic Development Programme**'. It will capitalise on the growing awareness of the benefits derived from cultural heritage and links as a means for increasing international trade, improving business growth and providing employment and training opportunities for local people.

GTC can act as a provider of new and untested exporters that will emerge from the young African/Caribbean community. It can do this by working in partnership with learning institutions such as the Institute of Exports, the Simplification of Trade Procedures (SITPRO), the British Exporters Association, and the Confederation of British Importers by helping market their courses and services.

It can act by providing a two way communication process between providers and recipients so that courses and services can be fully analysed and therefore more carefully structured to meet relevant future needs.

5.3 The Global Economy Project: Development Plan

- i Establishing North London as the centre of a pan-London strategy. This envisages GTC with its current dual North/South London office bases, plus collaborative networks with HBDA (North London), Black Business Association (East London) and the Paradigm Trade Organisation (West London).
- ii Formalising North London's central role with:
 - (a) Local and regional UK Government Agencies including Association of London Government, GOL, LDA and London European Commission, London First, Greater London Enterprises, Middlesex University Business School and The Prince's Trust.

National agencies include Dfid, British Council, British Trade International, FCO, SBS and Caritag, Tropical Africa Advisory Group, UK/Caribbean Chambers of Commerce, the Commonwealth Business Council, the Commonwealth Development Corporation.

- (b) African and Caribbean-run social, cultural and economic networks, their Governments, Agencies and Chambers of Commerce.
 - (c) International social, economic institutions such as the European Union, World Bank, United Nations, Caricom, WTO and the OAU.
- iii. Compiling strategic databases and establishing network partnerships. GTC can make use of its existing membership services, plus its unique range of contacts here in the UK, Africa & the Caribbean, to work as a facilitating partner to British Trade International as it seeks to further its trading networks in these regions.
 - iv. Developing a Knowledge skills bank for consultancy, training and enterprise. GTC can provide specific targeted publicity for new initiatives aimed at these regions and implement an effective 'Go Global' communications campaign via the Internet, multi-media and traditional media.
 - v. Educational research, analysis and monitoring. GTC has a part to play in expanding the range of developmental and educational learning initiatives designed to improve the ability of firms who seek to trade overseas successfully.
 - vi. GTC can participate in academic research and audits into African/Caribbean trade policy plans from British Trade International that will affect UK small business growth in these regions.
 - vii. End user feedback analysis. The specialist position that GTC occupies would enable it to register important analysis on key areas of review, as well as customer interest and initial response to pilot trade related projects and views on the consistent operation of quality standards when applied to minority ethnic business.
 - viii. Cross-referencing forum. GTC can assist with pooling of resources by acting as a facilitator of specialist knowledge-gathering from existing traders, trade finance and research institutions here in the UK, as well as in Africa and the Caribbean.

In so doing, GTC can participate in the creation of a pan-London think tank on trade policy and pursuit.

British Trade International is keen to develop of two key future objectives:

- (a) The provision of easily accessible electronic national export knowledge
- (b) A national stocktaking export audit

This should afford GTC good opportunities to forge collaborative arrangements with local enterprise agencies and community organisations to audit the views and subsequent progress of member company interests: vital information which can be presented to the Trade Support Service provided by British Trade International or the Small Business Service.

6 Conclusions

How does this submission demonstrate the added value of the recommendations within the existing Business Link Partnership support strategy, which fully anticipates the likely direction of business support within the proposed SBS?

It is important that the ability of GTC to deliver a fresh dimension to the theory and background of international trade in terms of ethnic business, as well as the practical process of exporting/importing, is fully recognised and supported.

One of the stated aims of the SBS is to: “encourage enterprise in disadvantaged communities. It will contribute to the Government’s wider goals for regeneration.”⁴ To this end, the SBS is proposing to set up a specialist unit to cover business support for Ethnic Minority groups.

The original aims and objectives of the organisation now directly reflect the present thinking of the government as they seek to target service provision at small and micro business.

In setting out the general skills requirement for applicants who seek to deliver local services on behalf of the Small Business Service, the Minister for Small firms made the following comments: ‘many potential clients in disadvantaged areas do not use available business support services, and those who have attempted to go through the process, report that it is out of touch with their needs and difficult to approach.’

‘These clients would prefer to have services tailored to their needs **delivered by people from their business communities**’ and that she hopes that proposals for local service delivery will ‘**explicitly** address the needs of entrepreneurs in minority ethnic communities’.

As GTC was specifically set up to achieve this in the field of trade support service, the wealth of knowledge and experience it has acquired during its life span would be of considerable advantage to the new business support service deliverers, not just in North London, but in surrounding areas as well.

The Bank of England ‘Small Exports’ report states that: “Although there are large numbers of sources of advice and information that are potentially helpful to smaller exporters, there is a widespread belief that these sources are currently too fragmented and that they lack sufficient focus to maximise their value to small exporters.”⁵

Through the development of GTC as an enabling organisation, the Business Link Partnership and the subsequent Small Business Service will, in consequence, provide a first time opportunity for promoting international trade issues specifically to Black and ethnic minority businesses, not only based in North London but also nationally.

⁴ DTI Consultation Paper: The Small Business Service, 1999

⁵ Bank of England ‘Smaller Exporters’ report, January 1998

7 Events

DATE	NAME	VENUE
29/10/1999	Conference: Finance for Community Economic Development	NLTEC/BLLN
24/11/1999	Seminar: A Modern Day Approach to trading with the Caribbean region	South London
29/11/1999	Seminar: A Modern Day Approach to trading with the Caribbean region	North London
16/12/1999	Networking	South London
29/03/2000	One-Day Conference and Workshops: Enterprise in Cultural Diversity: Developing an Agenda for London in the new Millennium.	TUC Centre, Hornsey

Appendix 1

Workshop B - International Trade as a stimulus to Business and Local Economic Development in association with Global Trade Centre

The two workshops attracted the attendance of approximately 24 people. Contributions from Isadores Diakedes and Chris Cable from Global Trade Centre focussed upon the Huge economic and social benefit to North London business if it made a commitment To provide lead support to specialist trade development between the UK, Africa and the Caribbean.

GTC laid particular emphasis on the pursuit of cultural and creative links with overseas governments and government agencies, who welcome the interest from a UK African/Caribbean led agency in their activities, and the opportunity to establish genuine micro/small business trading networks, starting in North London and the expanding from there .

Sue Monteath spoke on behalf of CARITAG, the UK Government trade development agency for the Caribbean region and outlined the importance the agency places, with the support of British Trade International, on investigating and evaluating the potential of UK organisations such as GTC to source small business traders with cultural and ancestral links with the Caribbean, and have already become involved in early research in this field. Additionally,

CARITAG are also working in partnership with African/Caribbean organisations in the UK, for example on specialist trade mission programmes.

There were also very positive and thoughtful contributions from Peter Bishop from London Chamber of Commerce, and David Hallam representing Business Link London.

In particular Peter Bishop from London Chamber of Commerce, highlighted the fact that there is currently a political/economic institutional vacuum at the high and middle ranking Public/private structures that conduct research and planning with developing countries.

The views and opinions of business were very welcome to the practitioners present. The main issues they felt were:

- a) Government trade support service organisations needed to find better ways

communicating with local businesses. As yet they do not possess the same knowledge and understanding of local business trading objectives in comparison with GTC.

- b) There was clear need for a network structure that could draw together traders who pursued opportunities in Africa and the Caribbean because of cultural and heritage connections, in order that maximum advantage for the North London economy is gained.

Conclusions

Micro/small business trade in North London is vibrant, but would no doubt expand further still if the range of mainstream support and learning services could (a) more readily targeted at them and (b) more adapted to reflect the nature of trading activities they are involved in. Also, with trade support of organisations beginning now to fully recognise the importance of shared cultural diversity in trade.

Every effort should be made to build-up a clear structured and crafted programme of time-limited trade promotion programmes based around the advantages that this type of specialist knowledge can bring.