

Question 1

The three goals set out in the strategy are:

- to raise Wales' international profile
- increase exports and inward investment
- showcase Wales as a globally responsible nation.

These goals have been developed to bring coordinated outcomes to the international work being undertaken by the Welsh Government and its partners.

Do you agree with these goals? (mark one box with an X)

Yes Partly No

Are there any other goals that should be considered? Yes No

If you answered yes, please write these goals in the box below.

HEFCW welcomes Welsh Government's commitment to a new refocused strategy that sets out an international vision for Wales and the opportunity to contribute to that vision. Given the uncertainties around the future relationship between the UK and the EU and the wider perceptions of the UK it is particularly important that Wales has a strategy that shows it is an open and welcoming country that is keen to work collaboratively with partners around the world. We are pleased to see that the strategy recognises the role of higher education in shaping and growing Wales' international profile but believe this could be stronger throughout the strategy. Welsh universities provide an opportunity to strengthen and extend Wales' international presence and impact as they are globally connected institutions, with research links stretching across the world, attracting students from abroad. This consultation response outlines areas in which the role of universities in achieving the aims of the strategy could be strengthened.

HEFCW is supportive of the overall goals in the strategy but offers further comments on the descriptors of the goals:

1. *Raise Wales' profile internationally – we will build our nation's reputation as a place buzzing with creativity where people are free to innovate and experiment.*

Whilst we agree that people are free to innovate in Wales, HEFCW's view is that the emphasis should be put on how Wales actively *supports* innovation, particularly through the work of Welsh universities. For example, HEFCW is introducing a new funding stream – the Research Wales Innovation Fund - to support of innovation and engagement activity at Welsh higher education institutions. This is allocated to HEIs based on their performance in knowledge exchange activities, in particular their external income capture through collaborations with businesses and other partners.

2. *Increase our exports and encourage inward investment, growing our economy and creating new jobs and opportunities for people in Wales – we are committed to embracing and developing new technology to deliver prosperity.*

Universities in Wales are key to supporting the development of new technology. HEFCW funding for quality-related research has underpinned this, as highlighted in the Reid Review¹ of government funded research and innovation for Welsh Government where the Director, Commercial Services at SPTS Technologies (a member of the Compound Semiconductor Cluster) said:

“SPTS conducts all its global R&D, as well as driving its product and technology innovation, from Newport, Wales. Our key research and innovation is further strengthened by our longstanding relationships with Universities such as Swansea and Cardiff, with whom we have been involved in cutting edge research and pushing the boundaries of technology for over a decade. This valuable cooperation would not be possible without the core research funding from Welsh Government that underpins universities' capabilities and the innovation funding from both Welsh and UK governments that supports our engagement with academia.”

However, it should be recognised that new technology is not the only way to deliver prosperity. Welsh universities are already making a significant contribution to growing the Welsh economy through the production of skilled students. Furthermore, as highlighted in the strategy, overseas students in Welsh universities contribute more than £600m in export earnings to the Welsh economy. The spending of international students and their visitors generated £372 million of Welsh GVA - equivalent to 0.7% of 2015 Welsh GVA².

Further comments on what the strategy states it is for and how it is proposed to deliver it:

- We agree that we are a 'small, smart nation' and that encouraging R&D and innovation will sustain present and future generations. However, as highlighted in Welsh Government's White Paper "Wales: Protecting research and innovation after EU exit", Brexit poses a substantial threat. Nearly 80 per cent of Wales' total EU funding for research and innovation come from structural funds. The UK Government has plans to introduce a Shared Prosperity Fund, but has not yet set out details about the value of the fund and how it will operate for the devolved nations. Furthermore research and innovation depends on researchers and innovators passing freely across borders. Welsh Universities have established a

¹ <https://gweddill.gov.wales/topics/science-and-technology/science/reid-review/?lang=en>

² <https://uniswales.ac.uk/media/Unis-Wales-international-student-research.pdf>

reputation for working internationally and it is vital that the UK's post-Brexit migration regime does not damage Welsh universities or businesses.

- We agree that consistent messaging is key to maximise opportunities for selling Wales to the world. Whilst the strategy recognises the need to link messages within Welsh Government we would also encourage external engagement in order to help consistency. Welsh universities already have strong international links and communication channels for international student recruitment, R&I collaboration with international universities and businesses.

Since its inception in 2015, the Global Wales programme has seen partner organisations (Universities Wales, Welsh Government, British Council, and HEFCW) work together more effectively to support the international HE agenda in Wales. Welsh universities through Universities Wales manage the day-to-day running of the programme, which includes oversight of the 'Study in Wales' brand. Work has started to amalgamate this brand with the Welsh Government Brand Wales portfolio to amplify the reach of Study in Wales and strengthen cross-sector visibility to international audiences.

- We note the strategy outlines plans to work with the UK Government and its agencies and to increase activity in London. Following the recommendation of the Reid Review to increase the visibility and influence of Welsh research by creating a new Welsh Research and Innovation London Office, the Welsh Government Office for Science are in the process of establishing this London base. We would encourage Welsh Government to align promotional work to include the work of this office in raising the visibility of Welsh research and innovation.
- The strategy has a strong focus on brand. We would encourage Welsh Government to also consider the value of, and strategies for, building relationships and working with people after interest has been raised through the reputation of the brand. As outlined above, Welsh universities have numerous existing international connections with people including through R&I collaborations, alumni networks and TNE provision.

Question 2

People – the strategy highlights the important role that our people and cultural organisations, in Wales and overseas, can play in raising Wales' international profile.

Do you agree with the ambitions set out in this chapter? (mark one box with an X)

Yes

Partly

No

If you answered 'Partly' or 'No', please tell us what would you add, and why, in the box below.

We agree that Wales' strength is its people and that they are key to achieving the 3 core aims of the strategy. The shift in the economy recognised in the strategy from

manufacturing and heavy industry to the modern economy today is based on a knowledge economy. This highlights the importance of Welsh universities in Wales' international offer through their role in training, upskilling people and knowledge creation. Welsh research is internationally excellent, as demonstrated in the Learned Society's 'Wales and the World' publication³ e.g. with four universities ranked in the top-500, Wales has one of the highest concentrations of top ranked universities both in terms of population and GDP per capita. We are pleased to see Sêr Cymru included in the strategy. This is an internationally recognised programme that HEFCW has been proud to support as a flag-ship for Welsh research. HEFCW strongly agrees that Welsh Government should continue to push for continued participation in Erasmus+ and Horizon2020 etc. As outlined in the strategy, encouraging international collaboration in research and innovation will grow the economy in addition to the impact of this R&I on other nations and regions.

Wales' offer to international students is part of the key strength of its people:

- In addition to Wales' proud history of welcoming people from all over the world to live and work here we also welcome many international students to study here as well. As recognised in the strategy, around 17% of students in Welsh universities are international. HEFCW agrees that these students should not be counted in net migration targets and that there should not be additional immigration restrictions for EU, EEA and Swiss students.
- Already established diaspora networks referenced in the strategy should include university alumni. The wider diplomatic and cultural impact of international students and staff should not be underestimated. Universities' networks of high-skilled alumni and partners across the world provide a wealth of opportunity for future trade and investment, and our internationalised campuses and cities reflect Wales as a welcoming and outward-looking nation. The Global Wales partnership (noted under Q1 above) serves to build and develop such ties by promoting Wales as a partner and destination of choice for students and researchers alike. Its capacity to project Wales as a partner of choice for system-to-system engagement with governments and similar bodies overseas further enhances this reputational dividend. We are deepening our engagement with three countries in particular: USA, Vietnam, and India. This is evidenced by the Minister's recent visit to Texas, Alabama and Georgia, to promote Wales as a study destination, build civic and education partnerships, and secure agreements and opportunities for Welsh students, academics and organisations. We are pleased to note there will be further developments in these areas in the coming months.
- We welcome the reference to working with Vietnam to develop its educational infrastructure through training opportunities, research, collaboration and academic exchanges in the strategy. This is one of the aims of the Global Wales project and further information on HEFCW's role in this programme with specific reference to Vietnam is included in our response below to question 4.

³ <https://www.learnedsociety.wales/wp-content/uploads/2017/09/REF15186-Times-Higher-Publication-Online-PDF.pdf>

In addition to Welsh Government's continued use of its Office in Brussels as a platform for engagement with the EU, Welsh universities are committed to supporting the Wales Higher Education Brussels (WHEB) office until 2021 and would welcome continued collaboration between the two.

HEFCW agrees that Wales – and Ministers and officials from the devolved administrations – should be involved in discussions with the UK Government about the formulation of the UK's policy position on matters which may be the subject of international negotiations, particularly where these could have important implications for devolved matters. A practical example of this would be the UK Government's International Research and Innovation strategy (IRIS) which has been published but plans for delivery are underway.

Do you think the ambition will deliver the key goal to raise Wales' international profile? (mark one box with an X)

Yes Partly No

Question 3

Products – Wales has a strong global commercial relationship both in terms of exports and attracting inward investment. The strategy sets out plans to showcase Wales' expertise in cyber security, compound-semiconductors and film and television production to demonstrate we have a modern and vibrant economy. This, in turn, will enhance our wider export and inward investment offer to the rest of the world.

Do you agree showcasing these areas will demonstrate Wales has a modern, vibrant economy and skilled workforce? (mark one box with an X)

Yes Partly No

Please use the box below to give a reason for your answer:

Although the title 'products' may be misleading, as they include knowledge and expertise as well, HEFCW is supportive of those that are listed. We welcome the reference to excellent R&D facilities and highly-skilled people.

We agree that the three highlighted industries are centres of excellence for Wales. When showcasing these industries we would strongly recommend that both the research excellence and skills provision that Welsh universities provide in these industries are included.

For example, HEFCW is currently funding a unique project that is building the skills pipeline in two of the three chosen industries. The project is enhancing HE-FE collaboration in innovation and engagement activity in the Cardiff Capital Region by leveraging added value from all the higher education institutions in the Region and collaborating with all the further education institutions in the region in the interests of developing more joined up resource, engagement with industry, and access to facilities

and expertise alongside identification of pathways for learners in the region and gaps in provision. The project is targeting three areas of regional strength with potential for jobs growth where HE/ FE collaboration can support a joined up focus on skills and innovation for the future. The three strands are: Creative, Design and Compound Semi-Conductors, with Digital and Digital Futures as a cross cutting theme for each.

In order to ensure the chosen areas remain globally competitive we would highlight the recommendations of the Reid Review to increase research and innovation funding to Welsh universities. Reid stressed that “This [current] funding shortage can only be addressed by the Welsh Government: no other funding source is available. The degree to which this weakness is addressed will have a major influence on Welsh performance in the increasingly competitive UK-wide landscape for funding from UKRI, businesses and research charities.” In this context we would highlight the fact that the “magnets” to attract businesses and for business growth referred to in the WG strategy e.g. the AMRC centre and the CSA Catapult, were also underpinned by historic and sustained investment in research infrastructure via HEFCW’s research funding stream.

However, there are other areas of excellence in Wales that would be a valuable addition to Wales’ offer internationally. The Science and Innovation Audits aimed to help local and regional areas to map their research and innovation strengths and identify areas of potential global competitive advantage. Four of the published audits include Wales⁴. These demonstrate a wide range of areas of excellence in Wales including environmental industries, technologies and services, agri-food technology and health innovation. Whilst we recognise that the WG strategy has aimed to simplify the Welsh offer by highlighting just three industries, we believe the ‘offer’ of areas of excellence should be tailored to the international audience. For example, the Universities Wales response highlights how the Global Wales India project has identified by overlaying Welsh research strengths, Welsh company profiles and demand in India. We would strongly recommend that Welsh Government consults Welsh universities when developing their “clear message and proposition to investors to ensure Wales’ inward investment offer is visible and compelling” as they will be best placed to match their expertise with the intended audience.

Our higher education sector is also an internationally excellent sector in its own right. In addition to the intellectual assets within our universities’ research staff, as highlighted by the Sêr Cymru case study, Welsh institutions also deliver high quality provision internationally. In 2017/18 there were 26,980 students studying for Welsh university degrees overseas. (This is known as transnational education (TNE))

We agree that entrepreneurship is central to economic growth, and note that graduate start-ups is an area where Wales performs particularly well. In 2017/18 Wales had over 901 graduate start-ups active after three years, demonstrating long term sustainability. This number accounted for 14.6% of the whole UK performance, far exceeding the notional 5% represented by Wales’ population. Many Welsh universities provide incubation centres or hubs for students and graduates to support this work. The Welsh Government’s Youth Entrepreneurship Programme funds universities to equip students with entrepreneurial knowledge and skills. This three year programme aims to see the

⁴ [South West England and South East Wales Science and Innovation Audit](#), [The North West Nuclear Arc](#), [The North West Coastal Arc \(NWCA\) Partnership for Clean and Sustainable Growth](#), [The South Wales Crucible](#)

creation of over 900 new businesses by 2021. HEFCW will introduce a new £15m Research Wales Innovation Fund in 2020/21 aimed at incentivising and promoting growth in knowledge exchange activity. One of the key areas supported by the fund will be graduate start-ups. It is envisaged that funds such as this, and the Youth Entrepreneurship Programme, will promote the aims of the Economic Action Plan and facilitate a strong entrepreneurial culture within Wales.

Question 4

Place – Wales' culture and language have contributed to international tourism and increased recognition as a visitor destination. In this strategy, we have identified the need to promote sustainable tourism as a priority. Wales has also demonstrated a commitment to global responsibility, for example, through its Wales for Africa programme and our Health Boards.

Do you agree the ambitions set out in the strategy will promote Wales as a globally responsible nation and showcase our commitment to sustainability?

(mark one box with an X)

Yes Partly No

Please use the box below to give a reason for your answer:

As co-funders of Sêr Cymru we are very supportive of this programme and welcome its inclusion as a case study. It has successfully grown Welsh research capacity and is genuinely seen externally as a world-class programme. HEFCW will continue to engage with WG in discussions on future funding of the Sêr Cymru programme.

We strongly agree that we must work in partnership in Wales to multiply our efforts. As such we are not only an active Global Wales partner, but we also administer the Welsh Government's European Transition Funding in support of the Global Wales II (GWII) programme. This has enabled the growing our system-to-system relationship with Vietnam, e.g. by establishing a prestigious Wales-Vietnam Chevening scholarship programme aimed at developing global leaders, and a similar scholarship arrangement in India is being finalised. It has also facilitated a partnership agreement with five key universities in Vietnam which supports HE reform activity and training in leadership and governance, and promoted research collaboration opportunities between our two countries, such as in SMART cities and agriculture.

Building stronger system-to-system relationships in these partner countries, and in more emerging markets will create more and deeper connections between Wales and the world – boosting our soft power and making Wales more attractive for trade and foreign direct investment. These aspirations are crucial to Wales' future prosperity, and as the strategy highlights, if these meaningful relationships are not developed, the investments and students will go to our competitors.

Responses to consultations are likely to be made public, on the internet or in a report.

If you would prefer your response to remain anonymous, please tick here:

