

# Is Scotland Spilling Over?

## Measuring Scotland's Global Impact in the National Performance Framework

### Recommendations for the 2023 National Performance Framework Outcomes Review

The Scottish Government has an ambition to “take a holistic “do no harm” approach to sustainable development” overseas but activity in Scotland also affects sustainable development beyond its borders. These ‘spillover effects’, positive or negative, including socio-economic impacts, environmental and political impacts, should be tracked to establish a more accurate picture of Scotland’s ‘net’ global contribution to sustainable development.

Measurements for spillovers from the UK as a whole do exist, and they show very poor performance. In fact the UK ranks 152nd out of 163 countries in an assessment of its transboundary spillover effects. This would strongly suggest that Scotland is also performing poorly, but as it stands there are methodological and data challenges in measuring Scotland’s spillovers. There are clear opportunities to enhance data collection in Scotland and introduce new ways of measuring our global impact, not least through the development of more appropriate indicators within the National Performance Framework (NPF).

The NPF has the potential to be a world leading approach to how we measure collective progress and, alongside the National Outcomes, has the potential to focus decision-making, policy and budgets on meeting challenges both in Scotland and globally. It is also the Government’s intended method of domestic implementation of the Sustainable Development Goals (SDGs).

But beyond carbon footprint, there is currently no sustained coverage in the NPF of the effects of Scotland’s consumption and production on the global environment, no consideration of social and economic impacts on other countries involved in the production of goods consumed in Scotland, and no consideration of the global impacts of Scotland’s main industries.

The NPF faces serious challenges as a gauge of Scotland’s impact on global sustainable development. The indicators within the “international” section are imperfect as measures of the overall outcome - it is not clear, for example, what “population size” indicates about Scotland internationally, nor how important it is how people from 20 countries perceive Scotland.

Here we outline some recommendations to improve the role of the NPF in understanding Scotland’s global impact and the way we measure progress towards the National Outcome: ‘We are open, connected and make a positive contribution internationally’. By doing this we believe we can more meaningfully track progress, and support other government commitments to enhance policy coherence for sustainable development, move towards a feminist approach to global affairs, and work towards the SDGs.

# Our Recommendations

## Improve existing indicators

### 1 Take account of international impact across the NPF Outcomes

Use existing data that is being collected across the Outcomes to help demonstrate Scotland's global contribution. For example, figures on Scottish exports, Gross Expenditure on Research and Development, greenhouse gas emissions, carbon footprint, and quantity and quality of habitats for biodiversity (as a contribution to global biodiversity), all paint a picture of Scotland's global impact beyond the Economy Outcome.

## A new indicator for people and planet

### 2 Introduce an indicator on Scotland's "material footprint"

This new indicator would better track the environmental footprint of Scotland's raw material consumption, in line with existing UK practice and the SDGs. By measuring consumption rather than production, and accounting for inputs from anywhere in the world, this measure provides a useful estimate of raw material use which represents a significant impact on people and planet.

## Make a start on socio-economic tracking

### 3 Adopt an indicator that measures Scottish private sector impacts overseas

Measurement of socio-economic spillovers is complex, but a starting point could be to measure Scottish participation in global business human rights initiatives or corporate social responsibility reporting. Sources could include B Corps, Fairtrade certification, or participation in the UN Global Compact. This might also be incorporated into the Scottish Business Pledge. This measurement would give an initial gauge of Scotland's impact on low income countries.

### 4 Develop proxy indicators to track socio-economic impacts in Scotland's global value chains

The garment industry is a context where work has already been done by NGOs on social and economic impacts. A number of Scotland's largest garment retailers already address human rights compliance in their supply chains, and this information could be aggregated to a Scotland-level picture, or provide a framework or basis for indicator development.

## Track industries where Scottish production clearly has a global impact

### 5 Develop indicators for the NPF to track fossil fuels

In 2018, 82.3% of Scotland's oil and gas was exported. Acknowledgement within the NPF of Scotland's role in fossil fuel extraction and export would provide a truer picture of the global impact Scotland is having. Measurement itself need not result in any judgement as to whether fossil fuel extraction is positive or negative, but transparency enables the people of Scotland to discuss this important issue.

### 6 Develop indicators for the NPF to track the arms trade

Scotland plays an active part in the conventional arms trade which is a key area of security spillover effects. The Campaign Against the Arms Trade reports that "at least 16 arms companies operating in Scotland have applied for export licenses to Saudi-led coalition members [engaged in Yemen] or worked directly with military forces since 2008." However information about the size and reach of the trade from Scotland is very difficult to find.<sup>1</sup> Greater transparency around the scale of exports and which countries are traded with and why would allow the public to assess the case for continuing, reducing or ceasing this trade. This measurement would also be useful in support of the Scottish Government's stated aim for 'feminist approach to global affairs'.

## Longer-term development of spillover research

### 7 Develop a longer-term multi-stakeholder approach to apply spillover methodologies to Scotland

Research indicates that much of the data and methodological work to measure spillovers is not yet done at the Scottish level. A collaborative partnership could assemble and identify key entry points into this spillover research agenda. Challenges in methodology and sourcing data must be met in order for a more accurate picture of Scotland's global impact to emerge.

## Innovate around measuring softer spillovers

### 8 Measuring Scotland's political voice

Scotland has a role in providing a voice on key global issues. For example, speaking out on loss and damage finance or in support of vaccine equity can and does have a positive impact globally. The Global South Panel could assess whether Scotland's international contribution has been positive or negative over a set time period in terms of its public stance on a range of issues related to global solidarity.

<sup>1</sup> CAAT's 'Made in Scotland' report estimates that the real value of UK arms licenced for export to the Saudi-led coalition since March 2015 is £16 billion, nearly three times the publicly available figure of £6.3bn.