

Foreword

Innovation is at the top of the policy agenda for the Scottish Government, with the launch of the 2023 Scottish *National Innovation Strategy*. Scotland, United Kingdom, is already a leader in firm-university collaborations and is rapidly adjusting the way it uses innovations for addressing climate change. It has an institutional system for building scientific collaborations that connects firms to researchers and actively encourages innovation and well-being through its support of social innovators.

However, while population decline is more mitigated in Scotland than the OECD average, Scotland is still facing stronger demographic pressures in non-metropolitan regions when compared to the OECD average, with a lower share of youth and a higher share of older workers. At the same time, women's entrepreneurship remains lower than men's. This can also have an impact on the spatial absorption and creation of new products and processes.

While the ingenuity of rural entrepreneurs and social actors is enabling growth, productivity and well-being in rural areas, much of the traditional support schemes for innovation, such as research and development funding, target urban areas where universities are located. This risks exacerbating innovation gaps between urban and rural areas. Regional development partners, such as the country's three enterprise agencies, hold great potential in delivering innovation and entrepreneurship support policies suited to different types of rural areas, including rural areas that are accessible, remote, or island and coastal economies.

With the Scottish innovation strategy released in June 2023, the active involvement of the three enterprise agencies and the adaption of the strategy at the regionalised level can facilitate more equitable access to support mechanisms across all places in Scotland. A focus on challenges for small firms in rural places could deliver significant innovation wins. Such initiatives could include, for example, mechanisms to facilitate access to international markets, enlarging the scope of innovation policies beyond a sectoral approach and further supporting innovation among social entrepreneurs.

This report provides an analysis of policies and programmes for supporting innovation and entrepreneurship across places in Scotland, looking in turn at structural factors, including labour markets that drive spatial differences in innovation and productivity. It also provides an analysis of the context and opportunities for social innovation in rural areas of Scotland.

This work is a part of the series of reports in the OECD Enhancing Rural Innovation project. It supports the implementation of the mandate of the OECD Working Party on Rural Policy and the Regional Development Policy Committee. Chapters 2-4 of the report were approved by written procedure on 15 May 2023 [CFE/RDPC/RUR(2023)8]. The assessment and recommendations (Chapter 1) was approved by written procedure on 10 July 2023 [CFE/RDPC/RUR(2023)8/ANN1].



From:
Enhancing Rural Innovation in Scotland, United Kingdom

Access the complete publication at:

<https://doi.org/10.1787/33b8c803-en>

Please cite this chapter as:

OECD (2023), "Foreword", in *Enhancing Rural Innovation in Scotland, United Kingdom*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/e827ce7f-en>

This document, as well as any data and map included herein, are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area. Extracts from publications may be subject to additional disclaimers, which are set out in the complete version of the publication, available at the link provided.

The use of this work, whether digital or print, is governed by the Terms and Conditions to be found at <http://www.oecd.org/termsandconditions>.