

News story: David Mundell urges Scottish businesses to get exporting

The British Business Bank, the UK Government's national economic development bank, hosted a discussion in Glasgow about how to support growth ambitions of small businesses – and get them exporting more.

SMEs are the backbone of the Scottish economy, providing 1.2 million jobs. They are particularly important to rural economies, where nearly half of all Scottish SMEs are located.

But Scottish SMEs are less likely to export than counterparts in the rest of the UK – just one in seven compared with one in five across the UK.

Scotland Secretary, David Mundell, said:

I'm very pleased to support the British Business Bank's efforts to drive economic growth for small businesses, both in Scotland, and right across the UK.

SMEs are the beating heart of the Scottish economy, offering exceptional skills, products and services. The UK Government is determined to do all it can to support them.

I sincerely hope companies who are thinking about expanding into international markets engage with the British Business Bank and make it a reality.

The UK Government acknowledges the fundamental role of business in driving the economy and creating jobs – and also understand the challenges.

That's why in the Budget last year, the Chancellor committed an additional £2.5 billion to the British Business Bank, along with a further £500 million for technology initiatives.

The bank already supports nearly 7,000 businesses in Scotland, providing hundreds of millions of pounds in finance and start-up loans to SMEs.

Economists at the British Business Bank estimate that, if the availability of 'patient capital' was increased to the same level as the US, Scottish businesses could benefit from up to £500 million of additional funding per year.

The Department for International Trade is also providing strong leadership in this area and working more closely than ever with the devolved administrations.

The Board of Trade has been reconvened, offering opportunities to engage with

regional expertise and ensure that the benefits of free trade are spread more evenly across the country.

The recently published Export Strategy sets an ambitious target to increase UK total exports as a proportion of GDP to 35%.