

Historic Capital

Financial services has become a dominant part of the Scottish economy and Edinburgh was, and remains, central to its success. By **Owen Kelly**, Chief Executive Scottish Financial Enterprise.

A historic centre

The industry's roots date back to 1695 when the Bank of Scotland was established in the capital, followed by the Royal Bank of Scotland in 1727. As financial services broadened its remit and insurance grew as a business, Scottish Widows was created in Edinburgh in 1815, and Standard Life a decade later.

The modern Scottish industry is recognised for its diversity, and its strengths in banking: life assurance and pensions, investment management, and asset servicing. It also has vibrant general insurance and corporate finance and broking services sectors, and a strong community of professional advisors.

In recent years the industry has become truly global, with many of the companies operating around the world. A 60% growth in the decade leading up to 2007 saw Edinburgh become a key player on the international stage. The latest City of London's global financial centres index confirms this, listing Edinburgh as ninth in the world for asset management and 18th as an overall financial services centre. For a relatively small city in a very competitive business, this is impressive.

Around 36,000 people are employed in the industry in Edinburgh alone, with around 90,000 Scots working in the institutions overall, and an estimated 100,000 employed in related support businesses.

But of course the worldwide economic downturn is having an impact. Being a serious global financial centre also means that Scottish companies must learn from recent history and adapt to the new environment. The industry will use its experience, knowledge and skilled workforce to make necessary changes to get through this period.

Scottish Financial Enterprise

Scottish Financial Enterprise (SFE) is the representative body for Scotland's financial services industry. SFE's member companies range in size from global organisations headquartered in Scotland to small, specialist support companies. SFE's chief priorities are to:

- **Influence** government, regulators and other policy-makers in Scotland, Westminster and Brussels to ensure an internationally competitive business environment.
- **Promote** greater awareness, understanding and support for Scotland's financial services industry among politicians, the media and the wider community.



Owen Kelly, Chief Executive
Scottish Financial Enterprise

- **Support** debate, innovation and the sharing across the industry of experience and insight to encourage continued international growth and collaboration.

Throughout the year SFE also provides opportunities for networking, debate and information exchange for its members.

In Scotland SFE works with the Scottish Government and the other partners involved in delivering the Strategy for the Financial Services Industry in Scotland, as a member of the Scottish Government's Financial Services Advisory Board and Financial Services Implementation Group.

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