European and External Relations Committee

The EU referendum and its implications for Scotland

Written submission from Volunteer Scotland

For Volunteer Scotland the decision taken to leave the EU really does represent a step into the unknown. For decades, the country and the voluntary sector have been inextricably linked to the EU - not only financially, but also in terms of regulatory framework and processes that underpin the delivery of services.

Leaving the EU will present a series of new challenges, both in the transition but also in the long-term. This will be particularly relevant with regard to the economic implications for the sector post-Brexit. These can be classified as both direct risks to funding and the indirect consequences of prolonged financial uncertainty.

Through the European Structural Investment Funds (ESIF), funding is directed at targeting geographically the areas in which private investment may be lacking, with the aim of promoting economic competitiveness and boosting employability.

As part of the ESIF, 20% of the EU’s structural funds budget is ring-fenced for projects that develop greater social inclusion, with the voluntary sector able to play a crucial role in these areas to support disadvantaged communities and invigorate the labour market. In addition to the ESIF membership of the EU enables voluntary organisations to bid for funding from a wealth of other programmes.

For the 2014-2020 programming period, Scotland secured a total investment of €941m split across the European Regional Development Fund (ERDF) and European Social Fund (ESF):

**ERDF allocation - €476m**

**ESF allocation - €464m**

It is a major concern that equivalent monies would not be available from the Scottish or UK Government.

At a time when the attention of the sector should be devoted to looking at innovative ways of creating increased participation, encouraging empowerment and developing opportunities for co-production our contemplation is diverted to looking for alternative sources of funding.

As previously stated, leaving the European Union is a historic decision and will have a significant impact on the future of our country.

However, it is important that the Scottish Government does not forget about the importance of volunteering, and its positive impact on community, in the midst of all this change.
It is imperative that the First Minister, in her discussions to protect Scotland’s interests and relationship with the EU, thinks of the relationships that have built up, over many years, with various European volunteering organisations and the joint working that has stemmed from this liaison and the significant contribution that volunteering makes to the Scottish economy.