Connecting Scotland - How the Scottish Government and its agencies engage internationally

Highlands and Islands Enterprise (HIE)

INTRODUCTION

Highlands and Islands Enterprise (HIE) is pleased to present evidence on “Connecting Scotland – how the Scottish Government and its agencies engage internationally”. Operating across more than half of Scotland’s land mass, HIE pursues a vision to help create a highly successful and competitive region in which increasing numbers of people choose to live, work, study and invest. Central to this is our ambition for a globally connected region that is home to internationally recognised sectors and increasing numbers of businesses operating internationally.

HIE’s European engagement is a strong contributor to realising our ambitions. We work closely with the University of the Highlands and Islands (UHI) and the region’s local authorities as a member of the Highlands and Islands European Partnership (HIEP), and with other “Team Scotland” partners. HIE is also a member of EU networks such as Euromontana and EURADA.

This response focuses on EU engagement.

Is there a clear, coherent and well-resourced strategy for European and international engagement within the Scottish Government and its agencies?

The Scottish Government International Framework and the Action Plan on European Engagement are clear articulations of how the Scottish Government seeks to engage internationally and within the EU. Each is linked explicitly to the Government Economic Strategy (GES), relating EU and international engagement activity to the objectives of GES. In the context of EU engagement, it is also highly beneficial that GES is aligned closely to EU2020.

A refreshed EU Engagement Action Plan should reflect a refocused Economic Strategy and consider whether there are other priorities for EU engagement. For example, the domestic focus on social equity may suggest a focus on policy at EU level relating to inclusive growth - for example, skills and employment, a focus on young people and supporting development in disadvantaged communities, urban and rural / remote.

While headline priority areas in the EU Engagement Strategy – Energy and Climate Change, Marine Environment, Research and Creativity, and Justice and Home Affairs – are each policy areas important to Scotland domestically and where Scotland can play a significant role in Europe, Scottish Government and other stakeholders engage, to considerable benefit, in a much wider range of policy debates. These include Regional Policy,
Agriculture and Rural Development and State Aid. A refreshed EU Engagement Action Plan may wish to reflect these more fully.

Both the International Framework and EU Engagement Strategy recognize that government activity is one of many points of engagement internationally and with the EU. This multiplicity of engagement is of value and generally works well. Consideration should be given to how Scotland can derive additional value from these multiple engagements through improved sharing of information and co-ordination of activity.

What has the Scottish Government’s international strategy achieved since its refresh in October 2012, and what has the EU Action Plan achieved since it was first published in 2009? Has the international strategy enabled “Scotland to flourish on the international stage, thus increasing economic growth for Scotland”?

THE EU Action Plan has provided a focus for the work of Scottish Government, its agencies and other stakeholders and has resulted in a more effective “Team Scotland” approach to EU engagement and policy influence, not only in the four priority policy areas, but also across a wider range of policy areas. While it is difficult to quantify the impact of the EU Action Plan on economic growth, it has, undoubtedly, been a catalyst for a more collaborative and joined up approach to EU engagement. Particular examples include:

- joint working on innovation and research / development between Scottish Government, Enterprise Agencies and the Scottish Funding Council has placed Scotland in an excellent position to capitalize on the opportunities offered by Horizon 2020

- Increasing prominence for Scotland in the emergence of Smart Specialisation. Scotland is a member of the Vanguard Initiative and Scottish stakeholders have been active in a number of Smart Specialisation policy debates. This has included HIE and UHI participation in workshops focusing on Smart Specialisation in rural and sparsely populated regions.

- Collaboration between Scottish Government and a range of stakeholders to secure a successful outcome for Scotland from negotiations on Regional Aid 2014-2020.

This “Team Scotland” approach contributes clearly to Scotland’s strong and positive profile in Europe. Scotland is seen as a “good partner” and positive contributor to EU policy development.

A challenge for future EU engagement is to build on this and derive further added value from the co-ordinated engagement by multiple organisations, including Scottish Government, agencies, local government and others.
What can be learnt from the approaches of other sub-state governments? In particular, how do the EU and international offices of other sub-state governments operate and what tangible outcomes do they achieve?

HIE has come into contact with a number of EU and international offices of other sub state governments, through its EU engagement activity. They vary significantly in their size, remit and operation, though they all, in one form or another, seek to build productive relationships, influence policy to the benefit of their region and secure resources (funding, partnerships, expertise) to deliver their agenda. Successful sub state government offices generally share common features:

- They have a clear remit, closely aligned to their domestic agenda, which focuses resource and activity on a small number of highly relevant priorities.

- There is close working between Brussels based staff and staff based “at home” within the region. Brussels based staff, with a detailed understanding of the EU policy landscape and good networks, working together with home based expert staff, supports a credible and effective EU office presence. Active engagement from elected politicians can also have a positive impact on the visibility and credibility of sub state EU offices.

- They have a long term commitment to EU / international engagement, recognising the need to build strong relationships and networks, and having a willingness to share their experience and expertise.

Scotland’s presence in Brussels is characterised by these positive features and generally works well.

Periodic review of Scotland’s EU priorities, to reflect domestic strategy and emerging EU policy is to be welcomed, as is the opportunity for stakeholders to contribute to this process.

HIE is happy to provide additional information to the committee, either in writing or in person.

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