

EUROPEAN AND EXTERNAL RELATIONS COMMITTEE

Tuesday 18 March 2008

Session 3

£5.00

© Parliamentary copyright. Scottish Parliamentary Corporate Body 2008.

Applications for reproduction should be made in writing to the Licensing Division,
Her Majesty's Stationery Office, St Clements House, 2-16 Colegate, Norwich NR3 1BQ
Fax 01603 723000, which is administering the copyright on behalf of the Scottish Parliamentary Corporate
Body.

Produced and published in Scotland on behalf of the Scottish Parliamentary Corporate Body by RR
Donnelley.

CONTENTS

Tuesday 18 March 2008

Col.

DECISION ON TAKING BUSINESS IN PRIVATE.....	525
INTERNATIONAL DEVELOPMENT INQUIRY	526
CORRESPONDENCE.....	562

EUROPEAN AND EXTERNAL RELATIONS COMMITTEE

7th Meeting 2008, Session 3

CONVENER

*Malcolm Chisholm (Edinburgh North and Leith) (Lab)

DEPUTY CONVENER

*Alex Neil (Central Scotland) (SNP)

COMMITTEE MEMBERS

*Ted Brocklebank (Mid Scotland and Fife) (Con)

*Alasdair Morgan (South of Scotland) (SNP)

*Irene Oldfather (Cunninghame South) (Lab)

John Park (Mid Scotland and Fife) (Lab)

*Gil Paterson (West of Scotland) (SNP)

*Iain Smith (North East Fife) (LD)

COMMITTEE SUBSTITUTES

Jackie Baillie (Dumbarton) (Lab)

Keith Brown (Ochil) (SNP)

Jackson Carlaw (West of Scotland) (Con)

Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD)

*attended

THE FOLLOWING GAVE EVIDENCE:

Bobby Anderson (World Exchange)

Paul Chitnis (Scottish Catholic International Aid Fund)

Jane Gibreel (Save the Children)

Eoghan Mackie (Challenges Worldwide)

Gavin McLellan (Christian Aid Scotland)

Judith Robertson (Oxfam)

Kirstie Shirra (World Development Movement)

Dr Ben Young (Jubilee Scotland)

CLERK TO THE COMMITTEE

Dr Jim Johnston

ASSISTANT CLERKS

Emma Berry

Lucy Scharbert

LOCATION

Committee Room 2

Scottish Parliament

European and External Relations Committee

Tuesday 18 March 2008

[THE CONVENER *opened the meeting at 10:01*]

Decision on Taking Business in Private

The Convener (Malcolm Chisholm): Welcome to the seventh meeting this calendar year of the European and External Relations Committee. Before I move on to the first agenda item, members will wish to note that it is Emma Berry's last meeting before she moves on a year's secondment to, of all places, the House of Commons, where she will take up a position with the Business, Enterprise and Regulatory Reform Committee.

Alex Neil (Central Scotland) (SNP): We should offer our condolences.

The Convener: I will leave that to you, Alex.

We hope that Emma will be back in the Scottish Parliament in a year. I am sure that we all wish to thank her for the brilliant work that she has done over the past two years. We will miss her very much. Thank you very much, Emma, and all the best in London.

I have apologies from John Park for this morning's meeting.

The Convener: The first item this morning is for the committee to decide whether it wishes to take item 4, a paper by the clerk on the committee's work programme, in private. Do members agree to that?

International Development Inquiry

10:03

The Convener: The second item on the agenda is our third evidence session as part of the committee's inquiry into international development. There are two panels this morning. I welcome the first panel: Judith Robertson, from Oxfam in Scotland; Jane Gibreel, from Save the Children in Scotland; Gavin McLellan, from Christian Aid Scotland; and Paul Chitnis, from the Scottish Catholic International Aid Fund. We will move straight to questions, so that we have as much time as possible for them.

I will kick off. My question may not be what panel members are expecting as a first question, but it links to evidence from academics last week, from whom we heard that there is a significant role for business to work in partnership with southern countries to help to develop their economies. I know that Judith Robertson was in the public gallery and heard that evidence. I am interested in your general view on the development of business opportunities and skills in developing countries. How important is it? Does it play any part in your own work? As Judith Robertson heard that evidence, she might want to start us off.

Judith Robertson (Oxfam): The answer would depend on the purpose of the intervention. I made it clear in our submission that the primary purpose of interventions has to be poverty reduction and strategies that target the poorest people in developing countries. There are myriad ways of approaching the process but, from my perspective, an intervention will not work unless it is designed specifically to overcome poverty and to work with people to do that effectively. Given that the purpose of the policy is oriented around poverty reduction, I would say that business intervention would have to support that.

Jane Gibreel (Save the Children): I agree with Judith Robertson. Another concern is that the proposed budget is modest. It offers a unique opportunity to make a difference, but I would be concerned about its being used to support business interests without there being a very tight agenda. The terms of reference will have to be very clear.

Gavin McLellan (Christian Aid Scotland): Many of our interventions involve business at the micro level—the chicken farmer and the tomato grower. They are often beset with major structural problems, such as not having market access and so on. There are issues around enabling civil society in countries such as Malawi and Zambia to be strengthened so that such businesses can demand the market access that they require.

More fundamentally, businesses need a healthy and educated workforce. My primary concerns would be around that. As Judith Robertson and Jane Gibreel emphasised, if there is to be business intervention, it needs to be pro-poor. We would have to be very clear about the purpose of the intervention and to whom it will go. Leverage issues need to be considered sensitively.

It also depends on what is meant by "business". Small-scale farmers certainly need lots of support because of the structural problems that they face.

Paul Chitnis (Scottish Catholic International Aid Fund): The answer also depends on whose business you are talking about. Are you talking about local business or business interests that are based in Scotland? We must be honest and recognise that the motive of development agencies is not profit. Although I am sure that there is a role for business in development, the two motives can end up clashing, which creates difficulties. There are some obvious examples of that happening. SCIAF has, with Christian Aid, recently produced a report on the actions of a British mining company in Zambia. It is clear that the company has not acted in the best interests of poor people. Business has a role, but one has to proceed with caution.

Ted Brocklebank (Mid Scotland and Fife) (Con): Given the very small sum that is available for Scotland to give to international development, is it better to spend the money on project funding or on budget support funding?

Judith Robertson: As you will see from our written evidence, we strongly support a process that enables the money from the Scottish Government to support strategic intervention that is aimed at poverty reduction. Many Governments, particularly in sub-Saharan Africa, have clear strategies for doing that. Where they have such strategies and effectively target people who are poor, budget support is a very effective way of ensuring that the money that the Scottish Government allocates supports Government processes, adds value to larger-scale funded pots and enables intervention to be part of a clear strategy. There are many examples in which that approach has proved to be effective; one being the Department for International Development's providing budget support for the Malawian Government so that it can increase the salaries of nurses and doctors. That is helping to retain nurses and doctors in the state sector, where health provision is free, and it is stopping nurses and doctors travelling to countries such as Britain, where they can earn higher salaries for practising their trade. We see the advantages of such intervention.

We also recognise that in countries where a Government's spending practices have been

subject to difficulties, there also needs to be a civil society that can hold the Government to account. We recommend a two-pronged strategy: there should be budget support, but our intervention should also support civil society organisations in those countries, so that they can ensure that the Governments spend money on the people who need it and can hold their Governments to account for the expenditure.

Jane Gibreel: I agree with Judith Robertson, but I also think that the Scottish Government has to start by asking what its strategic aim is. In order to define its strategic aim, it is necessary to work within the priorities and strategies of the Government in the country with which Scotland wants to work. The Scottish Government needs to consider the outcomes that it wants to achieve and it needs an operational framework, which will have several strands, one of which will inevitably be budget support. If the work is being done in the education sector or the health sector, some salary support is critical. There is also an advocacy objective—we should feed into the World Bank and the International Monetary Fund to ensure that developments are sustainable.

Budget support is required, but the Scottish Government should also support civil society organisations. It should work in partnership with Scottish non-governmental organisations to achieve the outcomes that have been defined with the Malawian or Zambian Governments—for the sector that has been selected—through proper stakeholder analyses and other such good practice.

The starting point must be for the Scottish Government to work with the partner countries to determine strategic aims. The Government must do that before it dives in and considers the operational elements. We need a multi-stranded approach, but I make a plea for it to be focused on one sector. I know that there will be disagreement about that, but the budget is modest—although it is big enough to make a real difference—and the Government cannot afford to spread it too thinly.

Ted Brocklebank: Before the other witnesses respond, I make the point that the support that has been given to Malawi is almost on the basis of a twinning of parts of Scotland with parts of Malawi. Much of the enthusiasm for the effort on behalf of Malawi has been created because the work seems to have tapped into something in the public's consciousness. If Scotland's support for Malawi was simply to hand over money, even if its expenditure was audited, would the type of support that we have offered be damaged?

Perhaps the other witnesses could also respond to that.

Jane Gibreel: Scotland has a great deal to offer and to bring to the table in discussions with the Malawian Government or any government. For example, it has an impressive reputation in the education sector, including the curriculum for excellence and so on. I would like Scotland to offer technical expertise and learning as well as money, and to engage the population along those lines. It is not just a question of handing over money—there must be a partnership. Ted Brocklebank made the point eloquently that a partnership has been developed, and we do not want to detract from that.

Gavin McLellan: There is a great attraction in choosing a strategic model of budget support, which allows coherence, rather than a spread of many projects. A potpourri of projects might be attractive and feel good to Scotland, but it would be more beneficial to international development for Scotland to have a strong and coherent programme of budget support. We have some good experience to share. We have benefited from a number of budget support models, including the DFID's participatory poverty assessment and Irish Aid's multi-annual programme scheme. The committee and the Scottish Government can learn a lot from those schemes.

I will pick up on what Jane Gibreel said. Through budget support, learning cycles are embedded, there is a stronger overview, we can match resources to the areas where they should be, and we can learn from partners in the country. The approach also reduces the administrative burden. It is a complicated task to manage lots of different projects and to monitor and evaluate them year on year. With budget support, the Government will be freer to have a strategic programme that will allow greater focus on the real priorities and the areas in which we can make a real difference. If the Government decided that the priority was HIV and health interventions, for example, it would get much stronger and clearer indicators of how well it was doing. A more spread out, project-based approach means that things are more fragmented and less coherent.

I underline the written evidence in support of a budget support scheme. We have a lot of experience of the approach. We have benefited from it and streamlined things with our partners in other countries.

There has been a lot of discussion about the fact that the fund is a small amount of money, although we know that the Government can make a big impact with it. However, we should ask whether there is a way of leveraging in more funds. We have experience of entering co-funding agreements, which are helpful to those of us who have access to constituencies where we can raise voluntary income. The £9 million could become £18 million if

we were to lever in extra funds from donors in Scotland, including philanthropic donors. There should be a leverage scheme.

I am not sure that I completely understood Ted Brocklebank's point about the damage that might be done to the twinning approach. I believe that the opposite would be the case. If we have a clear, strategic and coherent approach, that can only be better.

10:15

Paul Chitnis: On the point about the apparent smallness of the fund, if we consider it in relation to overall need, it is small, but so are the budgets of the organisations that we represent, as is the total of all of them added together. I counsel strongly against worrying about the size of the fund: £9 million spent well is better than £90 million spent badly. We must be confident and bold and we should have a lot more ambition than we have at present.

The issue that underlies Mr Brocklebank's question is how we can achieve a sustainable impact with the fund. Jane Gibreel is correct to say that we need to start with a clear strategic aim. So far, the aim has not been clear. It is also crucial that we maintain public support. Whether the Government works through project funding or budget support, it must be able to show that there is change and a sustainable impact. Doing so is probably more complex using budget support.

We probably need a mixture of the two elements. The Government cannot exclude project funding, but if it is considering strategic funding support, it should go to Scottish organisations. After all, I assume that the international development strategy is at least partly about supporting the work of development organisations that are based in Scotland.

The Convener: Before Alex Neil asks his question, I have a question for Jane Gibreel on the point about project funding. Your written submission states:

"Save the Children believes that Scotland's International Development Policy should be oriented towards supporting long-term, sustainable programmes ... rather than 'projects'".

Is that comment an implied criticism of what happens with the funding at present?

Jane Gibreel: It was not intended as a criticism of what has happened. There is a new opportunity for the Scottish Government to reconsider the way in which it allocates and spends the budget, which is now much bigger. It should start by determining a coherent strategic aim, and it should also consider all the variants that need to be included to ensure that results are delivered and monitored.

There must also be an accompanying communications strategy so that the Scottish people are up to speed with how the money is being used and the impact that it is having.

The Convener: Thank you for that clarification.

Alex Neil: On Paul Chitnis's point about the significance of the money, £9 million is not a lot of money to us, but it is about 2 per cent of the economy of Malawi, so it is not insignificant in Malawian terms.

At the core of the strategy are the questions whether to concentrate on Malawi or to spread out, and where to concentrate our efforts within Malawi. We should not regard the money as being the entire strategy because there are many things that we can do outwith the £9 million. I will ask later about some of those.

Oxfam's written submission states:

"there are only 127 doctors in the whole of Malawi serving a population of 12.6 million people."

Should we not focus all the resources on Malawi and try to make a real difference by using the £9 million to try to double or treble the number of doctors over a time? Would that make a critical-mass difference that we will never make by spreading the load?

The Convener: Perhaps we had better mix up the order—we are getting into a pattern here. We will start at the other end this time.

Paul Chitnis: We have always taken the view that the strategy should not focus only on one country. Malawi is one of the poorest countries in the world, but there are other poor countries. There is not necessarily any correlation between impact and focus. In other words, if we focus only on one country, we will not necessarily achieve greater impact. The committee has heard many MSPs and others say that the strategy should focus more widely than just on one country. I agree, although the focus should not be too wide. The budget is big enough to support an intervention in two or three countries in sub-Saharan Africa. It is important to recognise that not all Scotland-based development organisations are involved in Malawi or have Malawi as their major focus. It is wrong to exclude those organisations from the international development budget.

Any development or aid strategy should not be seen as the only intervention. Alex Neil mentioned doctors. There is a reason why there are so few doctors in Malawi, although we do not want to get into the detail of that now. What is absolutely clear is that the international development strategy should not focus just on delivering services; it should also consider the broader legislative and economic reasons why Malawi is a very poor

country and does not have many doctors. The strategy must take account of that, which I do not think it has done sufficiently to date.

Gavin McLellan: To add to Paul Chitnis's point, the analysis needs to be based on the underlying causes of poverty, and the context within which Malawi sits. We cannot separate Malawi completely from its wider regional context in sub-Saharan Africa and the other bigger issues that are causing the country to remain poor. It is important to include that in analysis for decisions on priorities.

The underlying issue is maximising the impact, value and benefit of the fund to Malawi and the Scottish public, but there are wider issues than that. It always comes back to the quality of the programme. Paul Chitnis made a helpful point that there is not necessarily a correlation between impact and focusing on a particular geographical area. The strategy has to be delivered really well. Our concern would be to ensure that, in the future, fund interventions are high quality in respect of how the fund is dispersed and the criteria that are applied. We would want the fund to retain the ability to look more widely at sub-Saharan Africa.

In reality, though, there is a co-operation agreement and there are existing expectations that should be met. There is good will, and there is a question of honour—we need to honour our commitments. In many ways, the answer is that although there should be some focus on Malawi, we should not focus on it 100 per cent. We need a wider regional programme. There is an opportunity to do much better on aid quality and on dealing with the wider structural issues that face Malawi.

Jane Gibreel: If, for instance, you settle on a poverty agenda, and you drill down into which sector you should focus on within that poverty agenda, there would be enormous value in working with other countries, as well as Malawi. You might, for example, consider future sustainability and building up collegiate collaboration between Malawi and Zambia, in terms of size and in terms of building capacity to tackle health, HIV and AIDS, education or whatever within that poverty agenda. I would support a focus that goes beyond Malawi but, as Gavin McLellan said, Malawi should not be turned away from, because there are expectations, and some good work has been done. We do not want to unpack that and dismiss it—we want to build on it.

I would therefore say yes to a geographical spread, but it should be done carefully because you do not want to spread the funds too thinly. It is about what will make the biggest difference. You need to consider the impact of the work, and work back from that to determine the outcomes you want.

Judith Robertson: One of the aspects that would be really strong in the policy would be for the Scottish Government to use its competence internationally to support strategic intervention on the ground. Whether that is in Malawi or in a broader distribution of countries, the focus would still be on a single theme. I will use the health sector as an example. We could build up competence and understanding, and tackle issues to do with doctors and nurses, and what services are available to people, for example in rural areas. That is an issue not just for Malawi but for Mozambique, Zambia, Zimbabwe and many other countries in southern Africa. There are lots of structural issues holding that dynamic in place—issues in which the Scottish Government could provide intervention. The Scottish Government could comment internationally on world negotiations, whether they are trade negotiations or negotiations on the expenditure of the global fund to fight HIV and AIDS. It could intervene with Bill and Melinda Gates Foundation's fund and the way in which it spends money on HIV and AIDS. It could build a real strategic competence on the issues, not so much on the country focus—although country competence is important—but on an analysis of what is happening in that sector globally, and how it can impact on that sector and work on behalf of the poorest people.

One of the other things that I feel strongly about is the ability of southern African countries' Governments to negotiate on the world stage. In trade negotiations, it is sad to see that while the European Union has 300 negotiators feeding in to their key spokesperson, countries such as Malawi have one representative. What chance does Malawi have in that dynamic? How does the power relationship in that dynamic support those Governments to have their voices, and the voices that they are trying to work for, heard in those negotiations? It does not. It is the same in trade or any other negotiations around the world. There is real potential for the Scottish Government to build an understanding and to work with Governments such as the Malawian Government and the Zambian Government in supporting their contribution to those processes and to make a real difference on behalf of their people.

Alex Neil: I accept the point about capacity-building being part of the remit. It is often not a particularly expensive thing to do. On that theme, the primary focus of your organisations is, quite rightly, poverty reduction. However, I was concerned about the tone of your earlier remarks about business. I accept the underlying suggestion about the need to be careful about the governance of any business contacts or business development programmes. That is not just the case in Malawi—even in Scotland we have to be careful about such governance. Your role, quite rightly, is poverty

reduction, but do you not accept that, in parallel, we should be working with the business communities in Malawi and Scotland to help build up the wealth-creating capacity of the Malawian economy? At the end of the day, we will not find a permanent solution to the problems of Malawi—or indeed any of the other countries—unless the economy is built up so that it can, through time, become much more self-sustaining.

The Convener: You do not all need to come in on every question. I think that that question was directed at Judith Robertson initially.

Judith Robertson: I have said before that it is about opportunity cost. It is about what you do and what you do not do. If we target the poorest people, 80 per cent of them live in rural areas. As Gavin McLellan said, they are running businesses, but we would not necessarily recognise them as such. Rather than being based on an expensive cash flow, those businesses are about sustaining their families. We are talking about a subsistence agriculture-based economy.

Please do not think that I am opposed to business per se or to reinforcing the potential for people to engage in business, but there are basic needs that require to be met. In Malawi, 50 per cent of the children do not go to school and, as Alex Neil said, the ratio of doctors to population is minimal. I do not seek to deny businesses in Scotland an opportunity to engage in Malawi—they can do so if they want to. I just think that the focus of Scotland's international development policy should be orientated towards poverty reduction.

10:30

Alex Neil: Bill Hughes and others have set up an equivalent of the Prince's Scottish Youth Business Trust in Malawi, which, although it does not involve a significant amount of public sector money, is a highly worthwhile venture for Malawi. Do you not agree that we should encourage more of such initiatives, which do not require much of the £9 million, but which can have a significant impact in Malawi?

Judith Robertson: My response is based on a comment that I heard at a workshop in the Parliament with Malawian business representatives. I agree that such initiatives should be encouraged, but on the terms of Malawian business. Malawian business professionals think that the best way of supporting their sector to develop is to ensure that any initiative is one that they can get something out of and one that they deem to be an appropriate intervention on their behalf. Such initiatives should be encouraged if Malawian business identifies them as meeting an appropriate need.

Paul Chitnis: There is a danger of making the strategy too big and trying to do too many things with it, whether in Malawi or in a number of other countries. Governments do not trade—businesses trade. Therefore, it is self-evidently the case that the business sector needs to operate in any successful country. My question is whether supporting the business sector is the best use of the fund of £9 million or whatever it is. I do not think that it is; I think that the fund should be used to support grass-roots community development initiatives.

On the broader issue of whether the Scottish Government should encourage business in Scotland to work with business in sub-Saharan Africa, it should but, as Judith Robertson said, it must do so at the request of people in those countries and on their terms. One of the problems with the previous strategy was that it was bedevilled by the sense that it was about tied aid. There was a sense in which it was more about Scotland and empowering Scottish business than it was about contributing to the development of people in Malawi or elsewhere. We should be extremely cautious and not try to make what is an important but limited strategy do too much.

Gil Paterson (West of Scotland) (SNP): The evidence that we have taken breaks down into two groups. One recommends a focus on education and the other a focus on health. Will you comment on that?

Jane Gibreel: Health, education and all the basic services are obviously priorities for Save the Children, but we favour a focus on education, not only because education is about investing in future generations and building up a population of children who can take full advantage of any business or livelihood initiatives that exist, but because it is a much underresourced sector, in relative terms, especially compared with HIV/AIDS, which receives enormous contributions from the Bill and Melinda Gates Foundation.

In addition, the fact that the turnaround time with education is long means that a long-term investment must be made, which is not always attractive. We should provide education for girls, because educated mums are more likely to have healthy babies and to demand that their Government provides quality health services, so I make a plea that serious consideration be given to focusing on the education sector in countries such as Malawi and Zambia.

Judith Robertson: It requires the wisdom of Solomon to make a judgment on that—it is too hard a call to make. In our submission, we suggested that the focus could be on health. I absolutely endorse what Jane Gibreel said, but I could make an equally effective case—as Alex Neil did—for concentrating on the health sector.

What we could do is ask the Governments or, indeed, the people of the countries in question what they would prefer the funding to be spent on and whether they view education as being more of a priority than health. That is an extremely hard call to make. We do not need to make that decision—we can allow others to guide us and to make it for us.

The Convener: Do you want to follow up on that, Gil?

Gil Paterson: I think that Gavin McLellan wants to respond.

Gavin McLellan: The consensus among us is that the strategy needs to have a priority, but we are slightly reticent about committing to whether the focus should be on health or on education, as compelling cases can be made for each. Although the strategy must be focused, some cross-cutting commitments—to do with gender, the environment and climate change mitigation, for example—need to be built into it. It is possible to have a number of cross-cutting strands, but we need to have one or maybe two priorities at the top. Education and health would rise to the surface.

That leads us on a development path and links with the questions that have been asked about business. As I have said, we need a healthy and educated workforce in order to stimulate business and to make it work. If there needs to be a priority, the committee could examine all the evidence that it gathers and look for the gaps. That way, it could identify how the Scottish Government could make a difference with its fund.

Alasdair Morgan (South of Scotland) (SNP): We asked whether the policy should have a thematic focus, so we should not complain about the answers that we get.

Let us say, for the sake of argument, that we decide that there should be a focus on such-and-such an area—although I suspect that it is unlikely that the Government will decide that it has only one priority, because the history of Governments shows that whatever is asked about in any given week is the Government's priority.

When we say that something is a priority or a thematic focus, how far do we take that? Is it meaningful to talk about having a priority or a thematic focus? Does that mean that a particular issue should take up 100 per cent of our budget? At what point does an issue stop being our priority and our thematic focus? Does that happen when it receives 90 per cent of the funding or when it receives 80 per cent? I suspect that we will always want to allocate some money to another focus or another priority. Does it mean anything to talk about having a thematic focus? What would we need to change to make education or health our thematic focus? I presume that we would have to

change something. Where would we have to take the money from, assuming that we would not further increase the budget?

Paul Chitnis: That is a very good question. My recollection of Solomon is that he sat for 40 years making his mind up. It would not be a good idea for us to sit for 40 years.

It does not really matter where—whether on health or on education—one comes into the cycle. That is a matter of judgment. However, I do not think that capital expenditure should be part of what is funded.

How tight should the strategy's focus be? For it to be meaningful, it needs to be quite tight. We cannot talk just about education—we must specify whether we mean primary, secondary or tertiary education and whether we want to aim provision at particular groups of people. I would argue strongly that we should target people who are living with HIV and girls and women. The rural/urban issue also needs to be considered. It would be possible to define the strategy quite tightly, but we should not hem it in so tightly that it excludes the possibility of other work being funded.

One could make a judgment: for example, one could decide to tie 70 per cent of the budget to a particular focus and leave 30 per cent of it free for other things. We should always remember that we are talking about taxpayers' money and that the strategy is meant to support a plethora of Scottish development organisations, so a degree of flexibility is necessary.

Gil Paterson: I want to ask about added value. The pot of money is small and we have not realised any extras as yet, but we will be adding to that. When Malawi hit the headlines in Scotland, it definitely brought added value and interest, particularly in schools and organisations that wanted to do something. How did that impact on the work that you were doing? Was there a focus on Malawi in that work?

Gavin McLellan: Christian Aid and the main churches already had links with Malawi. There was a lot of momentum and mobilisation behind that, which pump primed a lot of the work. One of the benefits of Malawi hitting the headlines was that it helped people understand a lot more about development and what they were trying to achieve. It raised public awareness and made people realise that they were part of the problem and that they had to change in order to be part of the solution. There was a lot of learning and added value in relation to the Scottish public's understanding of Malawi's needs and the issues that it faces—it is about not just charity, but the justice that the country needs.

People started to question the benefit of providing a roof for a church or orphanage and to

consider what impact they could have in spending money in other ways to equip people with life skills, education skills and literacy. We were lucky enough to get funding for our peer work with teenagers on sex education and HIV. We rolled out that model of peer-to-peer education in Scotland. People have learned a lot more about structural issues and why people in Malawi are poor. Malawi hitting the headlines has helped us from the point of view of the public's understanding of development. However, it has restricted us too, in that we have been overstretched at times.

Paul Chitnis: I would like to turn your question round. The work that all our organisations and many others have done—for 30 years in SCIAF's case—on development education in schools has created fertile ground on which to base the Scottish Government's focus on Malawi. When I read some of the evidence that you have taken, I thought that there was perhaps not enough recognition of the enormous amount of work that has been done over many years on development education in schools. It did not start in 2005; it has been going on for an awful long time. That has helped the community at large and schools to take up the focus on Malawi.

Gil Paterson: If we decided to engage in a neighbouring country, would the same thing happen? Would that detract somewhat from the added value to Malawi or would it bring a new focus and more attention? I understand what you are saying. A spotlight was shining on Malawi at that time. The light is still there. I wonder whether we can secure added value to the small amount of money that the Scottish Government is putting in.

Paul Chitnis: I want people to know about Malawi, but I want them to know about sub-Saharan Africa, because it is the poorest part of the world. It would be a mistake if people in Scotland thought that poverty in Africa equals Malawi. I am not saying that they do think that, but there is a real danger that they will focus on only one country and not see the broader picture. We contribute to the problem in a structural sense and we have an opportunity to solve it throughout sub-Saharan Africa, not just in one country.

Iain Smith (North East Fife) (LD): I want to return to the issue of a thematic approach. Is there a danger that we are looking at that in the wrong way, focusing on subject silos such as education or health rather than considering the problem that we are trying to solve? We received evidence about a project that is providing school meals to primary-school children in Malawi. That project is about health, because it is providing nutritious food to children who are malnourished, but it is also about education, because by providing a meal, the people who run the project are

encouraging children to go to school. The project is not a health project or an education project—it is both. Should we consider what we are trying to achieve—the objective of the funding—rather than focusing on whether projects are health projects or education projects?

10:45

Jane Gibreel: That is a good question. We do not want to promote the silo approach. Having a rights-based agenda helps with that. The beauty of taking a rights-based approach is that it allows you to take a holistic look at everything that is required in order for the impact of a particular focus to be maximised. Rights are universal. Every country in the world has signed up to them, in the case of child rights—with the exception of the United States and Somalia, but that is another issue. There is a whole package of rights, such as the right to dignity, the right to consultation and the right to a standard of living. If you are running an education or health programme, you have to consider what else is happening in order to achieve the desired impact. You cannot have children going off to schools with completely empty stomachs, because they will not learn. You cannot have a situation where children with malaria have no access to education. You have to consider how your focus is contextualised. You need to undertake stakeholder analysis with your Malawian or Zambian partners and civil society to determine the various components that need to be achieved. However, you do not need to do all that work; others will work with you to complement what you do.

Gavin McLellan: The answer was in the question. Iain Smith gave the example of an education intervention that had health benefits. There is not a silo approach, because all those issues are interconnected. As Jane Gibreel said, our partners overseas take the rights-based approach. They have spoken to communities about where things need to start and what needs to be added. There always needs to be an integrated, holistic and coherent approach, but there also needs to be a focus. Although the focus could be on education or health, a lot of cross-cutting issues will be involved. There is no real purity to this. It is important that the policy is founded on a clear and rigorous rights-based analysis. We can contribute to that by telling you what our partners in Malawi, Zambia or other southern African countries are saying. You need not worry about that. A lot of interventions are, by their very nature, matrixed in dealing with a lot of issues.

Irene Oldfather (Cunninghame South) (Lab): A number of the submissions refer to the difficulties around the administration of the policy.

The Christian Aid submission mentioned the need for regular planning cycles and referred to issues of timetabling, transparency, effectiveness and the way in which decisions are being taken. Do you see the situation improving? Do you have any suggestions about what kind of model could be put in place to address some of those issues?

Gavin McLellan: Our experience has been mixed. There was a lack of awareness of when funding rounds were coming up. There were mixed experiences of getting feedback about why funding was turned down. There needs to be simplicity and a firm timetable. We need to plan our work overseas. Our partners overseas are also drawing up their plans. There can often be a lot of disrupted cycles if donors are not organised enough to allow us to plan. It is important that there is a clear funding cycle. We have talked a lot about what the focus of the policy should be, but its delivery needs to be simplified. Perhaps there could be an application round twice a year.

There are also issues about who gives advice to the ministers and how those people are selected. Those concerns have not been addressed. There needs to be some distance, but we can offer some support in making nominations or through the network of international development organisations in Scotland—NIDOS—having a role to play in advising on the progress that has been made on the policy and how it is being assessed: what the indicators are. We need simplicity and certainty about when, in particular periods of the year, things are going to happen—we know that from our experience with DFID and Irish Aid—so that we and our partners overseas can plan around that.

Irene Oldfather: I am surprised to hear that there is no planned timetable or an advice and expertise structure. Are you not consulted on any of this at present? Have you ever been consulted in the past?

Judith Robertson: We have been consulted and we have given our views on a number of occasions. We have been consulted as members of NIDOS principally, but we have also had many opportunities to give our views on the issue as individual organisations. Oxfam's views are consistent with Gavin McLellan's. It would be great to see a planned process with clear criteria—a transparent process in which we would know when decisions would be made, the basis on which they would be made, by whom they would be made and what their parameters would be. However, the experience to date has been mixed.

Irene Oldfather: I do not understand what the obstacles or barriers to that are. I would have thought that, when a policy framework was set, a planning system with criteria would be established. What are the obstacles that you face in the process?

Judith Robertson: There has been a funding round with criteria attached—that has happened once. Criteria were also attached to the small grants fund. That is good practice and it would be great if it were more consistent, as we would be able to plan on that basis, as Gavin McLellan said.

The Convener: Oxfam's written submission says:

"If the SG is interested in extending the policy to other countries the policy should not try and emulate the resource-intensive Co-operation Agreement with Malawi."

What do you have in mind?

Judith Robertson: There is very limited civil service resource backing the policy up. Not a lot of staff are working on it. A huge amount of time has been spent in building that collaboration with the Malawian Government and, potentially, quite a lot of money has gone into it as well. I do not think that that needs to happen. Whichever country we work in, the Scottish Government must have a relationship with the Government of that country. That relationship should be strong, understood and supported, and that country's Government should understand what Scotland is doing. However, considering the intensive negotiation that went into the co-operation agreement, including the six-monthly exchange and the conferences, I do not think that establishing that kind of relationship everywhere would be the best use of the limited resources that we have.

The Convener: Thanks for that. The written submission from Save the Children talks about the role of Fairtrade cities in the context of raising awareness of international development. We have just had Fairtrade fortnight, and there will be a debate in the Parliament tomorrow on fair trade. I would be interested—as, I am sure, would other members—in the role of fair trade and how the Scottish Government can promote that, if you have a positive view of fair trade. I would also be interested in your comments on the wider trade agenda.

Judith Robertson: The Scottish Government has a role to play in Scotland around the fair trade agenda and the trade justice agenda. We are not looking just for fair trade. Fair trade is great, but what will make a difference in the long term is trade justice, and Scotland can contribute to that. The Scottish Government has a procurement budget of £8 billion, but at the moment we do not know how the supply chains in which that money is spent are impacting on people in poverty; nor do we know how they are impacting on the environment—we do not know what difference they are making to climate change. There is no analysis of how that money is being spent. We would like some of the resources for the policy to be spent on analysis of those supply chains, working out how that expenditure is affecting the

poorest people and seeking to address that systematically, pragmatically and with a positive outcome.

Paul Chitnis: I completely support what Judith Robertson says. For some time, SCIAF has been saying that the procurement budget of the Scottish Government should be consistent with fair trade principles. As we develop an international development strategy, it is clear that it is about more than just a fund; it reaches into all sorts of areas, which creates real challenges for Government in ensuring that the strategy is coherent with its broader aims and objectives.

Gavin McLellan: The fair trade agenda has been helpful in increasing the public's understanding, and I endorse Judith Robertson's point about the need to help people to understand the linkage to the wider structural problems that mean that trade justice is required. At the moment, fair trade is benefiting between five million and seven million families overseas; however, trade justice would benefit another 895 million, depending on the analysis that one looks at.

It is a question of market access, and the Scottish Government could offer some unique leverage and advocacy in looking at the European rules—the Office of Government Commerce rules—that prevent fair trade procurement, which are a barrier that could be overturned. The Scottish Government has a role in speaking out on that as it seeks to meet its aspiration of making Scotland a fair trade nation. A lot of work and momentum has gone into that.

The Government must also ensure that, if it is to make Scotland a fair trade nation, it gets strong evidence about how to do that. There might be opportunities to allocate funding to ensure that there is evidence of retail sales and that people are not just recognising the Fairtrade mark, but changing their purchasing habits, and that we can see a big difference in the Scottish economy in terms of fairly traded goods being bought. Fair trade has been good for development education and understanding, but there is a role for the Scottish Government in being able to speak out on issues where trade justice can be delivered. As Judith Robertson said, that may mean looking at the supply chain and the rules that restrict local authorities and the Scottish Government from procuring on a fair trade basis.

Jane Gibreel: I add my complete endorsement of everything that Judith Robertson, Paul Chitnis and Gavin McLellan have said. It is about trade justice. It is about monitoring the impact and feeding that information back into evidence-based advocacy—shouting and assisting governments to shout on their own behalf.

The Convener: We have time for one last question from Gil Paterson.

Gil Paterson: Has the 52 per cent increase in health workers' salaries had any impact on other professionals? If so, has the impact been good or bad? The target is to increase those salaries by 100 per cent.

Judith Robertson: That is the target and it has been contentious, as you can imagine. It is a difficult issue. I am not sure whether the policy is focused on teachers as well, but across the health sector it has been really challenging. That is absolutely understandable and it is an argument in favour of really understanding that our interventions do not impact just on one area, but more broadly. DFID evaluates that impact and listens to the voices of people who tell it what happens as a result of its policies. So, yes, that has been difficult across other sectors in Malawi.

Alasdair Morgan talked about targeting and focus. We are recommending the policy because we think that it will have a greater impact on poverty by allowing us to build expertise and ensure the quality of provision. I also think that there is a role for the policy in building development awareness in Scotland; I do not see its role exclusively in terms of expenditure overseas. As Paul Chitnis said, we have been working in development education for many years in this country. We have built a whole approach with teachers around global citizenship education, which closely mirrors the work that is being done in the curriculum for excellence, which will be debated tomorrow. There is real strength to be gained from having a population of young people who understand the complexity of development issues, who can critically analyse the messages that they hear and who can understand the issues when they see pictures on the television—which the media so enjoy broadcasting—of very poor people in Africa. Those young people might ask, "Why are those children poor? Why do they not have access to the same medicines and schools that I have?" That could really strengthen Scotland's society and global role and ensure that in years to come, our leaders in Scotland will understand development issues.

The Convener: It is 11 o'clock, so I am afraid that we have to conclude there. It has been a very useful session—thank you all very much for coming along and giving us the benefit of your knowledge and experience.

I suspend the meeting for five minutes to allow the next panel to take their places.

11:00

Meeting suspended.

11:06

On resuming—

The Convener: I resume the meeting and welcome our second panel, who I thank for coming. I welcome Kirstie Shirra from World Development Movement Scotland; Ben Young from Jubilee Scotland; Eoghan Mackie from Challenges Worldwide; and Bobby Anderson from World Exchange.

I will start with the same first question that I put to the other panel. How important a part of the agenda is the development of business opportunities and skills in developing countries and to what extent is it a focus of your work? I noticed that the subject is mentioned in the Challenges Worldwide submission, so perhaps Eoghan Mackie would like to respond first.

Eoghan Mackie (Challenges Worldwide): Challenges Worldwide's position is that that is a very important part of the agenda. We have a large focus on economic development; I imagine that Bobby Anderson will speak about his support for that in a second. Business can play an important role on several levels. Large-scale business behaving well in a country has an obvious direct benefit, as well as a peripheral advantage for the population in, for example, education and health, as was discussed earlier. There are a number of examples of big business providing education and health security for employees in developing countries.

To return to something that Alex Neil said earlier, it is also important to look at stimulating economic growth so that people can afford education and health opportunities. We are closely involved with the youth business model to which Alex Neil referred, which will be applied in about 17 countries this year.

If Scotland is going to get involved in international development, we have to look at where we position our country in that equation. For example, we have a powerful and operationally ready youth business model in Scotland—the Prince's Scottish Youth Business Trust. Versions of the model already function in 39 countries. Although the model is not perfect, it creates job opportunities for people. We have an opportunity in Scotland to support the evolving application of that model in different countries, to learn from it and to take the knowledge to other areas as a way of addressing the critical problem of youth unemployment. I am sure that everyone is aware of the unemployment figures for people under 25 in developing countries that are among the poorest countries on earth.

Kirstie Shirra (World Development Movement): I want to look at the issue from a slightly different perspective. What business does

in this country has a huge impact on the developing world and poorer countries everywhere. We need a strategy that sets out clear objectives before we decide what roles different sectors or businesses play. However, we can imagine a strategy that promotes good business practice in this country having positive side effects in other countries. There is the example of the Co-op, which promotes fair trade and does good work. There is no reason why we cannot promote such practices among our native industries, instead of asking what our businesses can do over there. We should ask what business does that we can improve on.

To echo what Judith Robertson said earlier, we need to consider how we can help business in developing countries to develop itself. That involves considering the structural reasons why business in other countries is not developing and ascertaining how we can improve that situation. It is not a case of parachuting businesses in; it is more about enabling businesses to build up.

Dr Ben Young (Jubilee Scotland): The idea that business is important for development seems so obvious as to be hardly worth stating. However, the question is what kind of business is required and whose interest it is in. I want to make three points in that respect. First, to be valuable and responsible, business must operate in a proper regulatory and institutional environment, which just does not exist in many of the countries that we are talking about. Secondly, we must consider in whose interest a business is meant to be. In the past, developing countries were regarded as markets for the businesses of the industrialised world. Obviously, we do not want any hint of that approach in how business approaches the problem now.

Finally, we must consider what level of business we are talking about. In the immediate post-colonial period, countries tried industrial strategies because they wanted an industrial policy. However, virtually no hint of that was left after the 1980s. The only businesses are small-scale manufacturers or export businesses, which are correlated with poverty rather than with ending poverty.

Bobby Anderson (World Exchange): I strongly support directing the policy towards sustainable economic development. If that is done at the expense of a more project-focused approach, that is fine. A healthy economy in, for example, Malawi will allow the people and the Government there to make their own choices about health, education, orphanages or whatever. They will not be patronised by people sitting in Victoria Quay or in the different NGO offices that we have heard of making decisions about how to direct funding in Malawi. The people there will make the decisions

themselves. I strongly support a policy that will help the Malawi economy to grow and allow Malawians to direct the economic, social and political development of their country for themselves, instead of well-intentioned people in Scotland doing it. The work will be done in Malawi—that is the right strategy.

Encouraging economic development is fantastic, but let Malawi take the lead and let us do everything that we can to encourage business to invest in Malawi and to support economic growth there. We can do that by our purchasing and investing. That is an appropriate route for the Scottish Government's policy to take.

I regard the fund as a separate matter from the policy; the fund should serve the policy, but the policy is bigger than the fund. The NGOs that the committee heard from earlier will have a great interest in the fund because they depend on grants from the International Development Fund to keep themselves afloat. My organisation depends on them, as do probably all the organisations that are represented on the panel, to a greater or lesser extent.

The policy is a much larger thing. If the policy can be focused on economic development, that will be fantastic because then you, as parliamentarians, will not talk to businesses about giving them money from Government funds to invest in Malawi; you will use your influence to encourage businesses to act differently and to take investment decisions that will make a difference to the economy in Malawi. I am for business.

11:15

Ted Brocklebank: I suppose that it is the nature of such evidence sessions that the same questions crop up again, so forgive me if I go over some of the ground that we went over with the earlier witnesses.

From the submissions that we have received, there appears to be a fair degree of dissatisfaction with the international development policy as we have seen it work in its first period. Where in particular has the policy gone wrong, and where should the most immediate improvements be made?

Dr Young: Jubilee Scotland does not have a big problem with the policy. It is new, and some people have complained about its administration. There has also been a dialogue about its focus, but I do not recognise the implied criticism. I am okay with the policy.

The Convener: The Challenges Worldwide submission says:

"Scotland should not try to finance small projects on a grant making basis like a philanthropic foundation."

Is that a critique?

Eoghan Mackie: We submitted that paper at the beginning of the process and we stand by what we said. I thank you for the opportunity to put some meat on the bones of that statement.

Our point is about how we position Scotland. Scotland is a country, not a funder or donor, and some of the points that earlier witnesses made about looking at the big picture are relevant to that. We suggest that, instead of focusing at a local level on the service delivery of projects, we should ask why, for example, there are not enough doctors in Malawi—there are only about 127. There are a number of answers to that question, and if Scotland is to be involved in health—even if we focus just on that specific question—it should be active across a variety of areas. We should look at the national health service's staff procurement policies, European Union policies on access for foreign labour and what the United States and Australia are doing to remove doctors from sub-Saharan Africa. We should be active in those arenas as well as acting locally. If the problem is that there are not enough doctors, why do we not back a model to upskill nurses? There are a lot of nurses locally, so we should try to innovate in that territory. We could then share the model among countries in sub-Saharan Africa, rather than focusing on spending, for example, £250,000 on training five doctors in Malawi who may or may not stay there.

Ted Brocklebank: I have a quick follow-up question. The previous Executive decided to appoint a group to assist with formulating development policy. As we have seen during this inquiry, there is no shortage of experts or people to give advice. Do you agree that there should be an expert group to guide the Government and, if so, what size should it be and who should form it? We have nothing but experts at the moment.

Kirstie Shirra: I will come back to the first question first. The international development strategy was a well-intentioned first foray into the area. It was enthusiastic, and we leapt in with both feet. We now have an opportunity to step back and reflect, asking what our international development strategy should be.

I agree with the earlier comments that we cannot just have individual projects with no clear strategy, aim or direction. I believe strongly that we need to tackle the causes of poverty, not the symptoms. By looking at a particular country such as Malawi or a particular theme such as health or education, we are looking at the symptoms rather than the causes.

As a country, we need to say that the policy is not about the pot of money. I agree with Bobby Anderson that the debate should not be about how we spend the pot of money that is available but be about what our strategy should be and what money we can allocate to it. The strategy can be about far more than financial gain. We have an opportunity to look at the issues and to explore what not only the Government but the Parliament and, specifically, the committee can do. We have a great opportunity to establish a robust policy that sets out what Scotland thinks the elimination of poverty from the world should look like.

I turn to the member's second question. It is natural for any Government, especially one that has not worked in the area before, to take advice. It is critical that the Scottish Government listens to other Governments, in both the United Kingdom and other countries—Ireland has been mentioned—that have worked in the area for years, as well as to the experts from whom the committee has taken evidence. NIDOS has always been the umbrella organisation for international development organisations in Scotland. Crucially, we need to take advice from the countries in which we are considering working. That element is often left out. We tend to sit here and ask whether we should work on health or education in Malawi, but we should speak to people on a world level about where we should work and where direction is needed. If we are going to take advice, we should take it from our southern partners—both NGO southern partners and people with whom the Government is working directly.

Bobby Anderson: I will respond to both questions as briefly as possible. The policy was largely sufficient and not deficient, but it is the right time to review it. It started as a broad-spectrum policy. The civil servants who were brought in to administer the fund and to develop the policy had not done such work before, and they have learned quickly. That is not to excuse mistakes but simply to say that they were to be expected. Over the piece, the civil servants involved have done a pretty good job. They are a small team that works hard, and generally they have done well.

NIDOS, which I chaired until last year, raised issues concerning the transparency of the process and the timetabling of grant rounds, which caused some applicant organisations frustration. Those issues were raised and discussed vigorously at a face-to-face meeting at Victoria Quay. Many of us felt that some decision making was politically influenced; I do not know whether that is down to MSPs who want funding for a constituent or a charity that they have supported. Some of us were concerned about the influence that might be brought to bear on the officials who were tasked with distributing the funds.

I chair the Scottish Malawi Foundation and the fair share trust for the Scottish Community Foundation, which distributes £2 million or £3 million. I am aware that it is extremely difficult to get rid of money. Raising funds is one job—distributing them responsibly is another. If a complex organisation such as the Scottish Parliament and the Scottish public are watching that distribution, it is a hell of a job. We need to think hard about whether we want to have a broad-spectrum grant-making fund. If we do, we must resource it properly. Making many small grants means having many staff and high administrative costs; making a few large grants means having far lower administrative costs but only a few beneficiaries. We must balance those issues, be realistic about what it costs to run a good grant-making programme and decide whether it should be the Scottish Government's policy to do that.

There was an expert group to advise the minister on Malawi. I was a member of that group from its inception. The group seemed to get better and better—it matured, rather like the policy. I do not know how the group was put together; I was not part of the discussion on that. It seemed to contain a fairly broad spectrum of people, including lords provost—if that is the plural of lord provost—church representatives, international development organisations and so on. The group seemed to work, more or less. People who were invited to be part of the group will be happy about it, but people who were not invited will probably not be happy. You pay your money and take your choice.

In my submission, I mention that the police in Aviemore sent someone to Malawi to look into victim support units, and he did a good job as a volunteer with World Exchange. Two Malawian police officers who worked in victim support were then invited to Aviemore and to Tulliallan, the police college, for further training. They returned to Malawi only a couple of days ago.

Such an exchange probably would not have happened without the policy. It did not happen because of the fund—the fund put no money in at all. However, the policy, and the engagement with Malawi right across civil society in Scotland, generated that sort of activity with the police in Aviemore. The exchange probably should have been funded, but I do not think that an application was even made. Private individuals in Aviemore and Inverness paid for it to happen.

The policy has generated new activities and has brought into international development new actors who are not the usual suspects such as the people appearing before the committee today, and especially those who appeared earlier. Some things have worked and, over the piece, a fairly good job has been done.

Alasdair Morgan: I had a supplementary question that I wanted to ask about 10 minutes ago. In the Jubilee Scotland submission, the first half of paragraph 11 states:

“The Scottish government should be wary of supporting any projects at all in developing countries.”

What does that mean exactly? The sentiment of the paragraph did not seem to flow from any of the other information in the submission.

Dr Young: Given the choice between support for budgets and support for projects, I would be wary of either. First and foremost, we have to tackle the underlying drivers of poverty, especially the ones that it is within our power to do something about—namely, the ones that issue from the industrialised world and Scotland in particular.

As soon as you start intervening overseas, you can demoralise people and leave them feeling as if what they do themselves is worthless. You can say, “We won’t give you a local drink; we’ll give you a Coke because Coke is better.” There is a view that the products of the industrialised world are better. However, when people reflect on that, there can be moments of sudden inspiration. Through the work of a partner of ours in Mali, AMADIP, I have seen people realising the value of their own products. However, some project interventions can prevent people from seeing their own potential. I am not saying that projects can never work; they can, especially when they are based on personal relationships and the spirit of voluntarism.

Alasdair Morgan: If we pulled out of most projects, what would the Scottish international development programme look like?

Dr Young: First, you could build on the excellent Scotland-Malawi conference in, I think, 2005. That was a fantastic learning experience and it could be broadened out to bring in many other people and countries. You could reflect deeply on the causes of poverty rather than the symptoms. We know what the symptoms are—people lacking access to health and education—but we have to ask why that is. Jubilee Scotland has strong views on what the underlying causes are.

You could have a long participatory reflection period, covering academic issues as well as public policy and civil service issues. That could lead to hard-hitting, innovative and challenging statements on what needs to be done to end poverty. In particular, we should challenge the millennium development goals, in which the targets are insufficient. I could go on longer if committee members wish me to.

Alasdair Morgan: I think that I follow your argument.

Alex Neil: I am intrigued by it. Basically, you are saying that we should all sit back and not do anything but wait for the worldwide revolution to happen.

Dr Young: No, no—we should work towards making that worldwide revolution happen. Many people already understand the economic and historical causes of poverty and the financial systems that keep countries poor, but that understanding is not filtering through into development policy or public policy. Many people have tried to make it filter through, but it is not happening sufficiently at present.

11:30

Alex Neil: While we are meditating, how many mouths will we not feed and how many people will we not help in Malawi and elsewhere?

Dr Young: How many will we feed with £9 million?

Alex Neil: We will feed a lot more with that money than we would if we just sat meditating in Scotland and contemplating our navels.

Dr Young: A well thought-out contribution to the strategic debate that ought to be taking place globally could have a much greater long-term effect than immediate development aid, such as project funding. I accept that, when one sees the deprivation in which more than half the world must struggle daily to survive, one feels an urgent need to do something—

Alex Neil: Do you basically believe that everything that, for example, DFID is doing is a waste of time?

Dr Young: I am sure that some things that DFID does are a waste of time, but it will also do some good projects. One must distinguish between the effects of an individual project and the macro effect—or aggregate effect—of many projects. Individual good interventions can be helpful but the overall effect can be negative. I can go into that in detail if you want.

Alex Neil: What does Jubilee Scotland do, then? What is its role in all of this? Is Jubilee Scotland funded by the Scottish Executive?

Dr Young: We were funded until last year for a research project on the impact of the debt cancellation that was agreed at the G8 summit in 2005. We campaign for debt cancellation for developing countries to free up finances that can be used for development. The underlying development problem is that countries are unable to access low-cost, condition-free, reliable finance. We work to ensure that they are able to do that.

Alex Neil: That is certainly a different point of view.

The Convener: We are interested in different points of view. We are not encouraging people to be critical of what is happening in Scotland, but we are interested in critiques of the current policy. I am open to the point about the importance of the wider agendas on debt and on trade, which is also mentioned in the submission. I am sure that many people would agree with that point, but—let me put it this way—do you think that the projects that are funded by the Scottish Government and DFID do harm? Some people accept the need for those wider changes but believe that those initiatives can be done in parallel, as the two things are not contradictory. Do such initiatives do harm? If so, how? If the initiatives do harm, that would certainly cause us great concern.

Dr Young: One way in which such initiatives can do harm is by distracting attention from the macro effects that cause poverty. Generally, the drivers of international poverty are lack of cheap unconditional finance and states that are not democratically accountable to their citizens. The combination of those two things is a massive cause of poverty.

Good individual projects can do good work locally while also raising awareness of the wider issues. Such projects leave people in developing countries more capable of taking political action themselves.

No one thinks that poverty in Scotland is not a political issue, but as soon as people start thinking about the rest of the world, they start thinking of poverty simply as a technical matter, as if one simply had to do the right sorts of things for it to disappear. Poverty everywhere is political. That is why I am very glad that MSPs are reflecting on the issue as part of the committee's inquiry.

The aggregate of development projects can be harmful by distracting attention from the underlying issues. Let me finish with a quote. The first time that I ever heard about development issues was when I overheard an overseas guest of Scottish Education and Action for Development saying, "People ask me whether aid helps. On balance, yes it does. Probably."

The Convener: What is the World Development Movement's view?

Kirstie Shirra: We all agree that good projects happen, but we will struggle unless we have a strategy and structure in place to bind them together. For example, a Malawian partner whom we had over in November—not a partner in a financial sense, but someone with whom we do joint campaigning work—told us about the twinning of a school in Scotland with a school in Malawi. On the face of it, that sounds like a great initiative. The school in Scotland raised a significant amount of money to pay for a new

teacher for the Malawian school, which was in an area where the few schools that were available had one teacher each for about 500-plus pupils.

That sounds lovely, but if we look at the situation at local level, we find a great disparity between the three schools in that area, only one of which got a new teacher. We need to ask where that new teacher came from. Did they leave one of the other schools to go to that school, because there was a better-paid job there? We must examine the impacts on the ground of what, on the face of it, seems like a nice project.

The World Development Movement would not say that the priority should be on having a fund that supports projects. Our priority is to tackle the structural reasons for poverty. In Scotland, we could have a programme that sets out that the Government and the Parliament will take action, when it is competent for them to do so; that they will do the work on Fairtrade Scotland; and that they will look into procurement. The European angle of the European and External Relations Committee's work will allow it to identify how we can improve policies at European level to benefit countries elsewhere.

Another question that we should ask is whether the pot of money that is available would have more impact if we used it to enable people in this country to take action in areas in which the Government cannot, by feeding into organisations' work, becoming active through adult education, taking action on international development issues, lobbying their MPs and their MEPs, pushing for change at those higher levels and feeding funding into civil society in developing countries so that those countries' Governments can be held to account and back-up can be provided for their participation in international negotiations. Although projects are great and their impact is visible on the ground—we are forever meeting funders who want to see pictures of wells and goats so that they can know that they have achieved something—we could probably achieve a far greater impact by spending the money on enabling more people to take action on international development issues.

The Convener: Does Bobby Anderson or Eoghan Mackie want to comment?

Bobby Anderson: I have a brief point to make. I recommend to the committee a lovely article by Ivan Illich called "To Hell with Good Intentions", which is addressed to people like us. Basically, it says that good intentions do not necessarily issue in good consequences and that what may seem to us to be good actions can have unintended bad consequences.

I will give an example. I have sent volunteers to Malawi for the past 20 years. The cost of one volunteer's air fare is the equivalent of a Malawian

teacher's salary for a year. Should we keep sending volunteers or should we send the money for teachers' salaries? I was perplexed by that issue when the University of Malawi students union approached me and said, "We don't think that it's an either/or situation. We would like you to help us to set up a national volunteer programme in Malawi. We would like to volunteer in our own schools, but you lot get in the way. You think that volunteering is your thing to do—Scotland volunteers in Malawi. We would like to volunteer in Malawi ourselves, thanks very much."

We are shifting our work so that we send far fewer volunteers from Scotland to Malawi. We deploy those whom we send far more strategically, to help develop a volunteer programme in Malawi for Malawians. That is a much better approach, but it has emerged only now that we have begun to listen, after years of such work.

This is a difficult area. We must stand back from some of the good intentions that the Parliament had when it established the policy and the fund, and examine them a bit more closely. The initiative might have had a good intention, but the issue is how it is working out. We must consider whether it is having an unintended negative consequence that we could not have foreseen at the beginning, but which we now have an obligation to see. I support some of what Ben Young said. To hell with good intentions—let us think about good outcomes.

The Convener: That is extremely interesting. You have given us a different perspective. I had intended to ask a question about volunteering, so perhaps I should ask it now, although to some extent you have already answered it.

In the parliamentary debate that we had on Malawi three weeks ago, volunteering was one of the subjects raised. Would it be useful to have a volunteering scheme as part of the policy on raising awareness, building links and helping to build capacity at community level in the south? I am talking about a volunteering scheme for people in this country. Bobby Anderson has answered that question, but perhaps the other witnesses might want to comment, either to back up what has been said or to give a different perspective.

Eoghan Mackie: Over the past 10 years, Challenges Worldwide has built up a lot of experience in international volunteering of a very different kind from that depicted by Bobby Anderson. Our primary focus is on professional people with an average age of 35; indeed, last year, 30 per cent of the people who were sent overseas were over the age of 50.

As long as we can secure a consistent supply of high-quality professional volunteers, we are able to achieve results in the three areas that you

highlighted. With regard to capacity, service delivery is not part of our work; our principal focus is on organisational development. Having conducted more than 800 needs analysis meetings with high-achieving local organisations in 17 countries, we can see trends in the types of ask with which we are being presented; typically, they involve financial planning, strategic planning and human resource planning and management.

On the question whether volunteering can raise awareness, the people who volunteer with us work for large employers such as Standard Life and the Royal Bank of Scotland. They fund raise in order to go, so they are already raising awareness, but we find that they maintain an active interest after they return, not only in the organisation that they worked with when they were overseas but in the broader parameters of international development.

However, although volunteers can establish firm links and raise awareness, I believe that more can be done about the latter issue. After all, these people might well be the future leaders of our country. If they are 35 years old now, they will be working for at least another 25 or 35 years—and if they are already high achievers, I expect that they will be in quite powerful positions in years to come. In discussing the advantages that can be gained from development education, we should certainly highlight such volunteering. The volunteers are personally and professionally mature, so they can understand the exact nature of the powerfully emotional life experiences that they have when they go overseas.

Kirstie Shirra: As the World Development Movement is not involved in volunteering schemes, I do not have enough expertise to talk about that issue. However, with regard to awareness raising, one incredibly successful approach that we have taken is to bring some of our campaigning partners over to this country. I mentioned last November's speaker tour, which gave someone from Malawi a platform through which to tell communities throughout Scotland at first hand about the issues that he faced. I found that approach amazingly helpful in letting people connect with the various issues and giving them room, for example, to say, "I'm going to write a letter to someone or do something". It is one thing for me to go into a room full of people and tell them about the problems in Malawi—or, indeed, in any other country—and quite another thing to have the situation explained by someone who is experiencing those problems.

Dr Young: I am sure that the 18-year-olds who volunteer to labour in African countries develop as a result of that experience, but when one meets labourers in Mali or Malawi and sees for oneself the strength, stamina and endurance that they have—and need—to work in that heat, one

suddenly finds the suggestion that those same 18-year-olds are actually helping to develop those countries' infrastructure ludicrous.

11:45

Ted Brocklebank: I accept totally what you said. I also accept that those of us who have been to Malawi can learn only so much in a short time, and that we may also get wrong impressions. However, in rural areas where wells are broken and communities cannot get fresh water, surely projects that use expertise from this country to alleviate the situation are worthy of support? As a result of HIV/AIDS and so on, a skills gap has opened up in Malawi and the people who knew how to fix wells are simply not there anymore.

Eoghan Mackie: That is a good question. I encourage you to think about long-term sustainable solutions to the problem. I agree that people in the villages need to have an operational well, but we should take a few steps back and ask why the well is not working. Given the right training, local people could fix the well and make money from providing such services. Again, I am drawn to the argument for the stimulus of economic growth. We are not discussing a niche market; it is a fairly big market that people could exploit.

The question then arises of where to position volunteers in all that. If we stick volunteers in a village to fix a well, the problems will never end. We are more likely to add value if we think in terms of business coaching rather than in terms of fixing wells. If a start-up business is given business coaching, the likelihood is that it will be able to sustain itself financially over the long term. By starting up businesses to fix wells, not only will the people involved do quite well but the communities will get functioning wells.

Ted Brocklebank: That is the point that I was trying to make.

Bobby Anderson: I agree broadly with Eoghan Mackie, although I am slightly less optimistic about the value of interventions by volunteers. We can be driven by our need to send people and not by the need of countries to receive them. Organisations such as World Exchange and Challenges Worldwide that send out volunteers need to be careful in that regard. We need to stop and ask ourselves, "Do we send out volunteers because we need to keep in business by sending out volunteers, or because countries need to receive them?"

There are good organisations in Malawi that fix wells, but they have not thrived because so many donors are willing to pay to install new wells. When a borehole pump or other mechanical part needs to be fixed, it is often easier to drill a new

borehole. I saw that situation at the Chigodi women's centre outside Blantyre, which had no budget for a local engineer to fix the pump. Malawi has engineers—after all, people fly aeroplanes there, so they can fix a bloody well—but it was easier for the centre to get £1,500 to £2,000 from a church or a school in Scotland to fund the drilling of the second borehole than it was for it to find the £100 to get the pump fixed. That is a good example, which shows how good intentions perpetuate a problem.

The ingenuity and technology are in the country, but not the money to bring them into service. The issue reminds me of our discussion on project or budget support. We must find ways for Malawians to work things out for themselves. We should help them, but not put ourselves in the way. We should not offer ourselves as the obvious solution.

The interventions of volunteers or expatriates have to be targeted extremely well. One of our volunteers, who is a Bank of Scotland director, has just come back from Malawi. He was looking at credit, risk management and international banking opportunities. The intervention was strategic and will lead to other inputs being made, in short bursts, over the long term—other staff will go between Scotland and Malawi. The banker did not go to Malawi to act as an accountant. There are enough accountants in Malawi and they need to get the jobs. We should donate money for people in Malawi to employ staff and not send out staff from here. However, a few strategic, well-placed interventions are fine.

The third-world tourism that a lot of volunteering becomes is okay if it is part of well-managed visits. I support such visits, which we are beginning to deliver, but we cannot call that volunteering. We need to be clear that people are going to someone else's country not to help, but to learn, listen and be a good guest. They then return to Scotland and perhaps go on to do something about it. That is okay, as long as people pay for their visit. It is not okay for people to pretend that they are doing something useful. They should go and learn, then come back and argue for change, or join one of the lovely organisations that are represented on the panel. They should not go and try to help, because they cannot do that.

Kirstie Shirra: I agree with everything that Eoghan Mackie said. The water example is a good one because it flags up the structural issues. Why do some communities have broken wells, or no wells? We can look to what other donor countries and other donors have done in the past. People said, "Water privatisation is the answer to all your problems. Suddenly, everyone will have access to water." However, the evidence shows that, naturally, companies want to make a profit. They go in, but it does not make sense for them to go to

rural areas and put in the infrastructure that is needed to supply water, because the costs are high. Instead, they cherry pick urban areas.

There are various other practices that show that the structural interventions that other donors have made have not been working. We end up with problems—rural communities lack access to water and poor people in urban communities are unable to pay for it. We need to keep our eye on the bigger picture and ask what we can do to promote different structural solutions to the problems. Water is a good example of that.

Eoghan Mackie: I could not agree more. I know that we need to move on to other questions, but I have a brief comment, which relates back to the questions on innovation.

Scotland has a unique opportunity to take a single-issue approach to international volunteering. We are extremely keen to promote that, and Scotland has a vested interest in it. The example of fair trade was given earlier, and there was a fairly resounding response from the first panel on the appropriateness of extending fair trade to free trade. If international volunteers were used to provide consulting services to organisations that are associated with fair trade procurement at the grass roots, the volunteers would learn about those organisations and how they function and would gain hands-on, personal experience of that level of the supply chain. When they returned to Scotland, there would be enormous potential to leverage their then heartfelt commitment to the fair trade movement. They would have an active, personal understanding of what fair trade means, and they would be more able to connect that to the big picture in a real, practical way. The other organisations that are represented on the panel also advocate that.

If we focus on single issues that are relevant to both Scotland and developing countries, we could do something valuable in international volunteering.

The Convener: The World Development Movement's submission includes a section on aid for civil society organisations. What is the best way to involve such organisations in project development and delivery?

Kirstie Shirra: That arose from our discussions with Mavuto Bamusi, who was here in November. He is head of the Human Rights Consultative Committee in Malawi, which is similar to the Network of International Development Organisations in Scotland in that it is an umbrella organisation. He flagged up examples of difficulties that arise in projects on the ground because of a lack of co-ordination. On that point, and also on the structural issues, if we are to put money into countries, we need to give it to people

who know what they are doing and who have oversight and a co-ordinating role, such as the Human Rights Consultative Committee. That committee, like NIDOS, distributes money to other organisations in a co-ordinated and joined-up way.

There is a huge role for people to work on capacity building and to engage in politics and what is happening globally. Many countries' politics and decision making are influenced externally by international institutions such as the World Bank and the IMF and there is a real democratic deficit among the population in such countries, because people do not have the ability to engage. If we are going to put money straight in, it would be useful for us to give it to civil society organisations, which can decide what is best and enable the populace of different countries to engage in much bigger pictures, in the same way that we have been doing in Scotland with development education.

Bobby Anderson: We spoke earlier about some of the conduits with churches. The Church of Scotland has a relationship with Malawi that goes back 150 years or more. It is a massive civil society organisation. I do not know what percentage of the Malawian population is part of one of the Church of Central Africa Presbyterian churches—perhaps it is half the population. I am not speaking for the churches, but I think that it would be worth dragging the Church of Scotland kicking and screaming into some of these discussions and getting its partners to work more effectively with other faith-based and civil society organisations to improve people's lives, particularly in rural and peri-urban areas. That has been happening to an extent. The churches are an agent for change, but they are also the subject of change.

We have done a fair bit of work recently with the emerging leaders of the different faith communities in Malawi at the outdoor centre that we developed, with the help of Glenmore Lodge in Aviemore, to bring together the young leaders and give them a leadership training programme that is not denominationally based. On the course that we ran about a month ago, there were Muslims, Hindus, Presbyterians, Catholics and Anglicans, which covers about 95 per cent of the population of the country. The numbers were in proportion to the national breakdown of those faiths. Some work is being done with faith-based and civil society organisations. That is tremendously important and I support it absolutely.

The Convener: We have nearly run out of time. We all agree that raising awareness is fundamental, although I am sure that you all want the right kind of awareness to be raised. Who are the key partners that the Scottish Government should work with in order to raise awareness of

development issues and how should that be done? I suppose that there is an issue about school-based work and the role of the media. There are many other dimensions. I would appreciate some final thoughts on how that key task can be carried out.

Eoghan Mackie: I just want to throw one other potential dimension into the mix. The vast majority of the Scottish population are of working age and attend a job on a daily basis. There could be enormous value in focusing some development education on adults as part of continuing education or by way of participation in single issues, to which I referred earlier. We could get people to volunteer internationally and then come back and depict that in their workplace in the same language that all their fellow employees speak. Traditional aid agencies and campaign organisations often have difficulty with communicating the international development message, because the language that they use does not interface with the standard business language or general chit-chat language that people use when they communicate with one another on a daily basis.

To have advocates who communicate in the same way as their professional colleagues is a powerful tool. That is an important area for us to focus on. There is an opportunity for Scotland to start doing something innovative, in that we have discovered that there are not a tremendous number of programmes that are designed to increase awareness of international development for people in the workforce.

12:00

Kirstie Shirra: Many of us, and members of the previous panel, belong to the International Development Education Association of Scotland, which runs many great and successful development education projects. I add the caveat that we need more adult development education. There are some projects, but they are not enough. Education for children is essential, but we cannot wait until they all grow up to tackle the pressing problems.

The Parliament has a big awareness-raising role. If international development becomes part of the norm of what is talked about here, that will filter out through the media. Since the make poverty history campaign, awareness of the issues has been greater through what NGOs such as us have done and through what the Government, the Parliament and the media have discussed. The committee could have the role of checking the impact on international development of each policy and piece of legislation that the Parliament considers. Raising awareness is not just for one agency to take on; the NGO sector, the

Parliament, the Government and the media need to work together to raise awareness.

Dr Young: I recommend that the Parliament and the committee have contact with a variety of political parties in developing countries. The paucity of political debate in most African countries—perhaps all—is striking. What a country must do to get itself out of poverty is considered to be a simple technical question and party politicking takes the place of substantive economic and social debate. We do not have that problem in Scotland, so links between politicians here and politicians overseas who want to challenge such sterility could be valuable and would be of long-term structural benefit.

Bobby Anderson: It is important to maintain and broaden the dialogue between Scotland and Malawi. Judith Robertson and I met at university. We discussed international development about 30 years ago and we are still doing that. That is all very interesting, but what is more exciting is the meetings that I have attended this year at which Malawian bankers and chief executives have met Peter Cummings at the Bank of Scotland and Sir George Mathewson. The international development dialogue is broadening; it involves not just NGOs, but Scottish civil society.

To parliamentarians I say that it is important to broaden the dialogue to cover more than just the party that is in government in Malawi. People will probably have to bite the bullet and talk to John Tembo, who is the leader of the Opposition, and others. When we met him a few months ago, he said that no one from Scotland went to talk to him—they all talked to the Government. Perhaps members will consider broader engagement. The Opposition in the Scottish Parliament might like to talk to the Opposition in Malawi—that seems appropriate to me.

The Convener: That is one of many useful suggestions that have been made, for which I thank you all.

Eoghan Mackie: It might be interesting to add a development awareness point. An interesting piece of research by Comic Relief, sponsored by DFID, has examined the longer-term trend of awareness of international development issues after the make poverty history campaign. That shows that people's faith in international development and their enthusiasm for the potential to make changes are dropping in a steep straight line, whereas movements such as fair trade are maintaining and increasing the public's interest. If we are to consider development awareness, that research might be interesting.

The Convener: Thank you for that final suggestion, and thank you all for an interesting and useful session.

Correspondence

12:04

The Convener: Agenda item 3 is correspondence from the Scottish Government. We wrote to ask the Minister for Europe, External Affairs and Culture about the implications of the new UK points-based immigration system for Scotland and for the fresh talent initiative in particular. Do members have comments on Linda Fabiani's response?

Alex Neil: Trevor Phillips made a statement last week about the need for more flexibility in the new system. Perhaps we should write to him before we talk to Linda Fabiani. He is the chair of the new Equality and Human Rights Commission and his comments were extremely helpful.

The Convener: The comments were interesting and writing to him is a good idea. Members have no more comments and are content with that.

We agreed at the start of the meeting that agenda item 4 would be taken in private, so everybody in the public seats will have to leave. I thank them for attending and thank the witnesses again.

12:05

Meeting continued in private until 12:33.

Members who would like a printed copy of the *Official Report* to be forwarded to them should give notice at the Document Supply Centre.

No proofs of the *Official Report* can be supplied. Members who want to suggest corrections for the archive edition should mark them clearly in the daily edition, and send it to the Official Report, Scottish Parliament, Edinburgh EH99 1SP. Suggested corrections in any other form cannot be accepted.

The deadline for corrections to this edition is:

Wednesday 26 March 2008

PRICES AND SUBSCRIPTION RATES

OFFICIAL REPORT daily editions

Single copies: £5.00

Meetings of the Parliament annual subscriptions: £350.00

The archive edition of the *Official Report* of meetings of the Parliament, written answers and public meetings of committees will be published on CD-ROM.

WRITTEN ANSWERS TO PARLIAMENTARY QUESTIONS weekly compilation

Single copies: £3.75

Annual subscriptions: £150.00

Standing orders will be accepted at Document Supply.

Published in Edinburgh by RR Donnelley and available from:

Blackwell's Bookshop

**53 South Bridge
Edinburgh EH1 1YS
0131 622 8222**

Blackwell's Bookshops:
243-244 High Holborn
London WC1 7DZ
Tel 020 7831 9501

All trade orders for Scottish Parliament documents should be placed through Blackwell's Edinburgh.

Blackwell's Scottish Parliament Documentation
Helpline may be able to assist with additional information on publications of or about the Scottish Parliament, their availability and cost:

Telephone orders and inquiries
0131 622 8283 or
0131 622 8258

Fax orders
0131 557 8149

E-mail orders
business.edinburgh@blackwell.co.uk

Subscriptions & Standing Orders
business.edinburgh@blackwell.co.uk

Scottish Parliament

RNID Typetalk calls welcome on
18001 0131 348 5000
Textphone 0845 270 0152

sp.info@scottish.parliament.uk

All documents are available on the Scottish Parliament website at:

www.scottish.parliament.uk

Accredited Agents
(see Yellow Pages)

and through good booksellers