



The Scottish Parliament
Pàrlamaid na h-Alba

Official Report

EUROPEAN AND EXTERNAL RELATIONS COMMITTEE

Thursday 4 October 2012

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EUROPEAN AND EXTERNAL RELATIONS COMMITTEE
13th Meeting 2012, Session 4

CONVENER

*Christina McKelvie (Hamilton, Larkhall and Stonehouse) (SNP)

DEPUTY CONVENER

Hanzala Malik (Glasgow) (Lab)

COMMITTEE MEMBERS

Clare Adamson (Central Scotland) (SNP)

*Roderick Campbell (North East Fife) (SNP)

*Willie Coffey (Kilmarnock and Irvine Valley) (SNP)

*Helen Eadie (Cowdenbeath) (Lab)

*Jamie McGrigor (Highlands and Islands) (Con)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Neil Findlay (Lothian) (Lab) (Committee Substitute)

Heather Jones (Scottish Government)

Aileen McLeod (South Scotland) (SNP) (Committee Substitute)

Humza Yousaf (Minister for External Affairs and International Development)

CLERK TO THE COMMITTEE

Ian Duncan

LOCATION

Committee Room 2

Scottish Parliament

European and External Relations Committee

Thursday 4 October 2012

[The Convener *opened the meeting at 09:01*]

Decision on Taking Business in Private

The Convener (Christina McKelvie): Good morning and welcome to the 13th meeting in 2012 of the European and External Relations Committee. I ask everyone to ensure that their electronic devices are switched off, as they interfere with the recording equipment.

Agenda item 1 is to decide whether to take agenda items 5 and 6 in private. Under item 5, the committee will consider an approach paper on its inquiry into the Scottish Government's country plans and economic growth and, under item 6, it will consider a claim under the witness expenses scheme. Are members content to take items 5 and 6 in private?

Members *indicated agreement.*

External Relations and International Development

09:01

The Convener: We come to agenda item 2. We have with us our new minister. Let me get his title right: he is the Minister for External Affairs and International Development. I welcome you to your first committee meeting, minister, and hope that you will be at many more. I also welcome your officials: Heather Jones is the deputy director of the Scottish Government's international division; and Elspeth MacDonald is the deputy director of the Scottish Government's United Kingdom and Europe division.

I welcome Humza Yousaf to his new role and welcome the role itself, as it gives us another angle that we can work on, especially in relation to international development issues. I believe that you want to make an opening statement, minister. Over to you.

Humza Yousaf (Minister for External Affairs and International Development): Indeed. Thank you for your welcome, convener.

This is actually my second committee appearance; my first was a fleeting one at the Education and Culture Committee, to move a Scottish statutory instrument. I can reveal that, although this is my second meeting, being on this side of the table as opposed to the other side is still quite uncomfortable. However, a few weeks in, I am getting there with the help of very good officials and good advice.

I thank the convener and the committee for inviting me to discuss my role as Minister for External Affairs and International Development. As the convener said, it is the first time that there has been such a role. I hope that that demonstrates the importance that the Scottish Government puts on the area.

I hope that setting out the main areas of my day-to-day responsibilities will be helpful. They will include the promotion of the Scottish Government's international strategy and specific lead responsibility for our links with India, Pakistan and Japan. I will also lead on links with south Asia and the Gulf and middle east regions; the Scottish Government's international development policy, which includes our grant programme; and our bilateral relations with European Union institutions to help to build capacity for the Scottish Government on key EU issues that will affect Scotland.

Another key part of the role will be promoting Scotland overseas. As members of the committee are aware, the Scottish Government promotes

many aspects of Scotland overseas, and we will continue to work with a range of partners and stakeholders in that important task. Scotland has many attributes that enable us to engage with countries across the globe. We are a creative nation with a rich heritage, we contribute to the world, and we are, of course, preparing to be a modern, independent state. Our approach has been that the Government should be strategic, get involved at the appropriate time, and bring people together to pursue our international ambitions.

Our scope to take part in international affairs is, of course, constrained by the current devolution settlement, but that does not mean that we cannot engage internationally, whether in promoting Scottish goods and services, engaging with other Governments on our world-leading climate change targets, or showcasing our renewable energy policies. To that end, our relationship with the Foreign and Commonwealth Office and other UK departments is good.

In the coming weeks, the Government will publish a refreshed international framework document, which will replace the 2008 document. It will reaffirm the Government's focus on the creation of sustainable economic growth and set out the context and rationale for the Government's international activities. By taking the opportunity to update and refresh the framework we will help to provide a clear focus for international engagement in a rapidly changing world. I look forward to discussing the framework with the committee and hope that that discussion can take place soon after the publication date.

I am aware that the committee intends to conduct an inquiry into the Scottish Government's country plans and how they contribute to our economic development. We welcome that inquiry.

Our country plans set out for each country our approach to engagement in key areas including trade and investment. Progress on the country plans is driven by business, educational, cultural and third sector links. The Scottish Government is there to facilitate exchanges and identify areas where our intervention can help to make progress.

The pursuit of trade, inward investment and tourism are the key objectives of Scottish Development International, VisitScotland and EventScotland, with the support of the Scottish Government. We should not forget the key role that Creative Scotland plays in promoting Scottish culture across the globe, and the positive impact that that has on Scotland's economy. Indeed, my first engagement involved the Peking University orchestra and, although I did not stay to hear the orchestra play, I could see the importance that cultural diplomacy can play in bringing closer trade links. Continuing to work together as team

Scotland with those organisations and others will ensure that our ambitions are taken forward.

As you are aware, in 2014 Scotland will host the Glasgow Commonwealth games. Yesterday, like other MSPs, I had the pleasure of meeting Clyde, the thistle man, and had my photograph taken with him. My only objection to Clyde is that I think that he stole my haircut.

In 2014, we will also host the Ryder cup. Both events will put Scotland on the world stage and we will work on them with the key partners that I have mentioned.

The Scottish Government has invested in building relationships on new and historic links with countries across the world. As we have strong historical, cultural and trade links, such as those with the USA—Scotland's biggest export market after the rest of the UK—and with other countries, including China and India, we can benefit from their growing economic success. We can also benefit from the success of other areas. We are looking to other regions of the world and other emerging and maturing economies such as the Gulf states and those of South America, such as Brazil, to assess the potential to build relationships and connections through trade, education, tourism and culture in order to give Scotland the best possible opportunities.

Having a Minister for External Affairs and International Development is a positive signal of how determined we are to play a part in making a difference to some of the poorest people in the world.

We all know that in times of economic hardship such as those that we face, it is often the poorest who are hit the hardest. That is why, despite the spending pressures that we face, we are committed to maintaining the value of the international development fund at £9 million a year. The Government is committed to working alongside the development sector to maximise the value of the international development fund. This year, the international development fund has awarded over £5 million for projects in Malawi and £4 million for work in Rwanda, Tanzania and Zambia under the latest rounds of the Malawi and the sub-Saharan Africa programme.

We will shortly be opening the next south Asia and Malawi funding rounds to enable the projects to start at the beginning of the next financial year. Our international development policy sets out a distinct approach to international development with a focus on working in partnership and achieving real and tangible outcomes on the ground.

Next year, we will celebrate the 200th anniversary of David Livingstone's birth. We will mark his bicentenary with a series of events that will help to highlight his work and cement the links

that he forged in Africa so many years ago. Of course, no birthday would be complete without cake. I cannot promise 200 candles, but it will be a great celebration nonetheless.

For generations, Scots have reached out across the world to build economic, educational and cultural links with countries such as Malawi. Two hundred years later, the Scottish Government recognises and encourages links between individuals and organisations in order to contribute to the achievement of the millennium development goals. This week, we have seen no better example of that continuation than nine-year-old Martha Payne, who is out in Malawi seeing at first hand the impact of her fundraising efforts on the poorest in the world. That is a fantastic thing to see, and it is relevant to the bicentenary that we will celebrate next year.

Another key aspect of my role is to engage with Europe and the EU. Our priority areas for the European Union are set out—as members will be aware—in the European action plan, which is updated every six months to coincide with the changes in the EU presidency. The next update is due in January 2013 and will coincide with Ireland taking over the presidency. It sets out our objectives in the four key policy areas of energy and climate change; the marine environment; research and creativity; and freedom, security and justice. My Cabinet colleagues and I will endeavour to drive forward those areas, and other important policy areas such as the EU budget review. By enhancing our bilateral relationships with other member states, we are able to establish valuable partnerships—to develop renewable energy projects, for example—that stimulate economic activity to benefit all Scotland's citizens.

In the coming months, the Scottish ministers will receive a number of EU commissioners, ministers and ambassadors from all over Europe, which will include a visit from the EU Commissioner for Employment, Social Affairs and Inclusion and the Dutch ambassador. Many of them may also want to engage with this committee.

I will support the cabinet secretary in maintaining regular, constructive dialogue with the consular corps based in Scotland, who have to date provided excellent insight and continue to play a key role in developing and maintaining meaningful relationships with our European partners and those further afield.

As well as the constitutional aspects of shaping our future and our commitment to increase Scotland's influence within the EU, the Scottish Government has a responsibility to raise our profile in Europe in the same way as we do with our wider international work. From 15 to 17 October, I will visit Brussels to undertake a series of engagements. I also hope to visit Luxembourg

to attend the general affairs council for the next—and possibly last—discussion on cohesion policy before the multi-annual financial framework is agreed.

I welcome the opportunity that this morning's session offers to set out my portfolio of responsibilities. I am happy to come back—I am sure that I will—at a future date to discuss progress in some of the areas that we will cover this morning and in any areas that the committee will cover in the future.

I am happy to take questions as long as they are not too hard.

The Convener: Thank you, minister, for that comprehensive insight into your role, which is very exciting.

Before I move to questions from my colleagues, I welcome Neil Findlay to the committee. He is standing in today for Hanzala Malik, who is out in Karachi at the trade exposition, doing some of the committee's work and taking forward some of Scotland's ideas. I also welcome back Aileen McLeod, who is substituting for Clare Adamson.

I will open with a brief question about the refreshed international framework. That sort of umbrella framework is, of course, very important in progressing all the issues, and you have said that it will be published soon. Do you have a timeline for that, and can you give us some specifics on how you see the framework developing?

Humza Yousaf: Sure. We are constantly working on the refreshed international framework, which will be published in a matter of weeks rather than months. As I said in my opening remarks, I would be happy to come to the committee and speak about what the document contains.

The international framework is precisely that: an umbrella under which we seek not only to build on the historic links that we already have with countries such as the US and Canada, but to develop new opportunities where they may exist.

The individual country plans sit underneath that international framework and have a specific geographic focus. The international framework will focus on building those historic links while also moving further afield to new and emerging economies and markets. The important thing is that the framework focuses not only on trade and investment—although the economic sustainability and growth agenda is a priority—but on seeking to form cultural and diplomatic links that may benefit Scotland as we move forward.

The Convener: You mentioned in your opening statement how inspirational young Martha Payne is. It crossed my mind that seeing the world through the eyes of an inspirational child would perhaps be a good way to develop both the

Government's and the committee's work. Would the minister welcome the committee inviting Martha to give us her insight into her experiences in Malawi?

09:15

Humza Yousaf: I could not agree more. Martha Payne's is a cracking story. I am not surprised that she has already received book and film offers, but she has put them aside to go out and see the good work and to put the money to good use in Malawi.

I would welcome the committee inviting Martha to give evidence but, of course, it is for the committee to make that decision. If that happens, I hope to muscle in and steal some of her time, because I, too, want to hear about her experiences. Her story is relevant to this year, and to next year, which is the 200th anniversary of David Livingstone's birth.

We talk about Scotland continuing to be outward looking. How much more relevant can you get than a nine-year-old girl with a fantastic story about school dinners going out to Malawi, a country that we have had such deep and historic links with. Martha Payne's story is a great one, and I am sure that she will be an inspiration to not only the committee, but many others.

The Convener: Adults should always remember that there is a lot to learn from young people in this world.

We move on to questions from members. I ask members to bear in mind the time, as the minister has to leave just before 10 o'clock to go to another engagement.

Helen Eadie (Cowdenbeath) (Lab): I, too, welcome Humza Yousaf to his ministerial post, and I wish him success in what is an important area of work for Scotland.

I know that this is early days for you, and I understand that it may be difficult for you to answer because of that, but I want to hear about the evaluations of all the different country plans that have taken place—or at least some of them; you do not have time this morning to talk about all of them, so perhaps you could give us a few highlights from the evaluations. How have they been conducted? How convinced are you of the thoroughness of the reviews? Are the plans effective in achieving the objectives that you want?

Humza Yousaf: Thank you for understanding my newness to the role. One of the amazing things when you come to the role is the amount of paper that you are inundated with. However, because country plans and certain regions are such a priority for us, it is important for me to get my head round them quickly.

I noticed that the committee agreed at its previous meeting to hold an inquiry into the evaluation of the country plans. It is important to note that country plans are there to give guidance to not only Government, but organisations and businesses about what sectors we think that they should focus on and from which they will get the maximum benefit.

The Cabinet Secretary for Culture and External Affairs constantly monitors the country plans and I will now do that in my new role. We work with our partners on country plans. For example, we and SDI constantly monitor the import and export data, and we work with VisitScotland to see how tourism numbers are looking in the regions where we have country plans. Country plans are not so set in stone that they cannot be changed or refreshed if we need to change focus in the region, be it geographically or sectorally—I made that point in relation to the China plan. Scottish Enterprise publishes an annual report that comes before the Parliament and within which SDI includes import and export figures. That gives us a good indicator of how we are doing in specific regions, too.

It is fair to say that we can look into how to evaluate the country plans and we can reflect on that issue. In particular, we will look with interest at the outcome of the committee's inquiry on country plans and consider how to take forward its recommendations.

Helen Eadie: I am grateful for your response, minister—it was a good starter for 10. To mark a place in your book I say, through the convener, that I would be grateful to have discussions with you at some stage. I will write to you about my specific interests in eastern Europe. I am trying to develop trade union and political links in Hungary, Romania and Bulgaria, as well as people and culture links.

Humza Yousaf: I noted your interest in Bulgaria and the various positions that you hold in relation to the work that you have done there. I would be delighted to meet you as soon as I receive an invitation.

Roderick Campbell (North East Fife) (SNP): Good morning, minister. I would like to ask about something that you did not cover in your statement, although we touched on it at question time yesterday. What are the objectives of the climate justice fund? In terms of the timescale for the water projects that you referred to yesterday, you said that they would "be announced shortly". What does "shortly" mean? How can we sustain those projects over the longer term?

Humza Yousaf: Did you ask me what "short form" means?

Roderick Campbell: I said “shortly”, not “short form”. Yesterday you said that you would announce the water projects shortly.

Humza Yousaf: Right.

Roderick Campbell: I just wanted to know how short is “shortly”.

Humza Yousaf: The applications will be announced by November—although I will get my officials to double check that.

The climate justice fund is ground breaking. Some of the projects have perhaps previously been done with the aid of the international development fund. However, the point of the climate justice fund is to recognise that developed countries contribute most to climate change but developing countries are feeling the ill effects. People know that—it is a common mantra—but why has nobody set up funds to look at and focus on that? The climate justice fund is a statement of intent, as well as being a relatively modest sum of money, which is why it has been praised by Desmond Tutu, Mary Robinson and other international figures who are involved in international development. We are championing it, because we think that it is a key issue for human rights in the 21st century—it is rising up the United Nations agenda. Scotland has been acting as a leader on climate change and climate justice, and we have ambitious targets around which the whole Parliament coalesced to support.

The first round of funding is focused on better planning and management of water resources. The target countries are Malawi, Rwanda, Tanzania and Zambia and, as I said, the announcement will be made by 1 November 2012.

Generally, the international development fund—not just the climate justice fund—has been moving away from what might be seen as short-term, interventionist projects to longer-term sustainable projects. That is where the development sector is going, and the non-governmental organisations that we work with are key to that. That is not to say that emergency and humanitarian aid does not have an important role.

Roderick Campbell: I appreciate that, but how do we go about sustaining those projects for the long term?

Humza Yousaf: We do that by renewing that commitment. If we had said that the climate justice fund was a one-year, one-off project, that would not have shown much commitment. We hope to build on the three years of the project, during which time we will see and evaluate its success. We are demonstrating a commitment to the fund. The NGOs that are working on the ground are not in it for the short term. They have been in some countries for years—they have been in some for

decades—and we will use their knowledge and expertise. The IDF itself has been a great success because it works with NGOs that have a history of working in some of the poorest countries in the world.

Aileen McLeod (South Scotland) (SNP): I also welcome our new minister, with whom I look forward to working. I am glad to be back on the European and External Relations Committee, if only for another half an hour. It is always a pleasure to be here.

There is a lot of discussion around the post-2015 development agenda, which is building on the UN's millennium development goals to eradicate poverty by 2015. The focus is on how we link economic growth, social equality and environmental sustainability. That is obviously linked to the outcome of the Rio+20 summit in June, at which the development of a new set of sustainable development goals to succeed the millennium goals for 2015 was agreed. Next year the UN will hold a special event to follow up on efforts that have been made towards achieving the millennium development goals. The discussion will be about what might follow in terms of the global framework that we need in order to focus efforts on poverty eradication.

In Scotland, we have been developing our climate justice fund, which has received a lot of praise from Mary Robinson, the former President of Ireland. Our work around the sustainable energy for all programme has been praised by the secretary general of the UN, Ban Ki-moon. Steps have also been taken towards developing Scotland into a hydro nation. To what extent has the post-2015 development agenda been taken into account in the refresh of the international development framework strategy?

Humza Yousaf: That is an incredibly relevant question. We know that Prime Minister David Cameron is sitting on a board that is looking at what comes after the millennium development goals. I hope that Scotland—regardless of our constitutional status in 2015—will be looking to play a positive role in influencing that.

In that regard, Scotland is already somewhat ahead of the game. We have already shifted our thematic focus in international development. For example, in the South Asia funding round that will be announced later this month, the focus has shifted slightly away from health and education—although they are still important—and has moved towards sustainability in terms of energy, water solutions, renewables and so on. We are already shifting our focus towards those areas.

The climate justice fund is another example of how we are looking towards what that “post-2015 development agenda”, as Aileen McLeod referred

to it, might be. Other issues include gender equality—the development sector is pushing it as an important goal for us to achieve, and it is stressing how important gender equality is and how much inequality there is, because of the idea that is expressed in the famous saying,

“If you educate a man, you educate an individual. If you educate a woman, you educate an entire nation”.

The development sector is starting to realise the difference that can be made if we start to impact on some of that inequality.

The Scottish Government has a close relationship with our NGOs—with the development sector. Within the first week of being appointed as a minister, I was sitting with our country's top NGOs and they were giving feedback on what our policy should be and how we should take it forward. If we maintain that relationship, we will always be at least in line with the game, if not a step ahead of the game and so we will be able to influence others.

I hope that the climate justice fund is a step towards that. I hope that other countries look at it and see it as being not just effective, but as a symbol that the developed world has a real responsibility and duty to tackle the issue. From that, we can be not just part of the agenda—we can lead the agenda.

Jamie McGrigor (Highlands and Islands)

(Con): I also congratulate the minister on his new position in what is a new ministry. It is a good time for a fresh approach. I also concur with what the minister said about Martha Payne—I am proud that she is one of my constituents.

Recently, there has been a lot of interest in this Parliament from China. Only a couple of weeks ago, I hosted a meeting of some 24 Chinese visitors from the upper house in Beijing. I believe that they also met Government officials. Everything had to be conducted through an interpreter and it occurred to me that it is not quite so easy for smaller firms to trade with China because they perhaps do not understand the language, or how business works in that part of the world.

How does the Scottish Government engage with China and what priorities will the Scottish Government set out for future engagement with China? When will the updated China plan be published? How can individual Scottish firms—small firms, people supplying smoked salmon or something like that—get involved with supplying that enormous potential market?

09:30

Humza Yousaf: I thank Jamie McGrigor for those questions and note the interest that he has

had for a long time in helping to foster such links. I would be more than happy to meet him on any occasion to discuss the matter further.

We are looking to publish the China plan by the end of this year. As Jamie McGrigor will be aware from his engagement with China, elections are due within the party in October and November, and it would make sense to get those out of the way and see who is in what position before we develop the China plan. He will know that because of the vastness of the country and the huge growth potential in certain areas, we have been quite focused on specific geographic areas such as Shenzhen, which is one of the fastest-growing municipalities in China.

I absolutely accept Jamie McGrigor's point about language, which is incredibly important. Through the discussions that I have had during my first two weeks in office, I have seen at first hand how important our Confucius institutes and hubs in Scotland are. I have not verified this statistic, but another member told me that half the schools in Perth are starting to teach Mandarin, which sends an important signal. It is important that we support our Confucius institutes and hubs so that, in the future, Scotland and Scots are best placed to take advantage of the economic opportunities that China offers. The previous committee's inquiry mentioned that foreign languages are not given enough priority in schools, and the Government has acted on that.

On trade, Scottish Development International has a really good presence in China. On top of that, the Scottish Government has officials in Beijing and there is constant engagement with a number of small, medium-sized and large businesses to take advantage of and maximise the opportunities that China offers. There are constant trade fairs and briefings by SDI as well. We see the results of all of that in the exports of whisky and salmon to China, but more can always be done. I am more than happy to discuss with Jamie McGrigor ways in which he thinks we could push things forward, but SDI is very strategic in its engagement.

In the past few years, the relationship between China and Scotland has been very much strengthened, and not just on the trade and investment side. As Jamie McGrigor suggested, there has been a lot of building of relations before we cement trade and investment opportunities. The cultural diplomacy and cultural links are incredibly important, and we must maintain and build on those relationships. It requires a completely different way of doing business from the way in which we do business with a lot of Europe, but we are starting to get the hang of it.

Willie Coffey (Kilmarnock and Irvine Valley) (SNP): I welcome the minister to his new role. It

was a pleasure to serve with him on the Public Audit Committee for a year or so, and I am delighted to see him here as the minister.

I bring to members' attention the Grange academy in Kilmarnock, which has run Chinese language studies in Mandarin for a number of years. That has been particularly successful and is a testament to the foresight of the education authority there over the past period.

In your opening remarks you said that the devolution settlement should not stop Scotland engaging with the international community. I was delighted to hear you say that. Do you get a sense, even at this early stage in your new job, that there is an increasing awareness in the international community of Scotland's developing role and the progress that we are making?

Humza Yousaf: That is undoubtedly so. Let me return the compliment and say that the pleasure of serving on the Public Audit Committee was all mine—especially when I forgot my papers and leaned over to read yours.

Willie Coffey makes a very good point. Even in the first few weeks in my new job, there has been interest from the consular corps in Scotland about what the new role is and there are constant questions. Regardless of which side of the debate people are on, there is a huge amount of interest in Scotland's constitutional future. People around the world have many questions about what it might mean for their bilateral relations with Scotland and there is a huge amount of excitement about it. I have been asked those questions everywhere I go.

We can maintain that excitement and interest in Scotland and in what Scotland is doing by constantly being innovative. I keep coming back to the climate justice fund, but I also mention what we are doing on water solutions and renewables. We are leading the way not only in Europe, but much further afield.

I know that Willie Coffey has a great interest in what we do to make ourselves a digital nation. All that stuff maintains and creates an interest in Scotland. As long as we are innovative in our approach, we will continue to remain extremely relevant.

To answer the question, there is a huge amount of interest in what we are doing. I have already seen that and my diary is booked out weeks and weeks in advance because a number of international partners are keen to meet and engage.

Willie Coffey: When you develop the country plans that you mentioned in your opening statement, is there direct engagement with those countries on how they see their relationship with

Scotland or are the plans more about our impression of what we can offer those countries? Is there mutual development of the plans with the countries, or do they represent our preferred approach to how we will deal with them?

Humza Yousaf: An engagement plan or a country plan would fail at the first step if it was just one way—there is two-way engagement from the beginning. That is why the creation of country plans can sometimes take a bit of time. If you are developing a country plan with China, there is a fair time difference when you are trying to engage with people and hold conversations with a range of stakeholders. The engagement is very much two way. The Chinese consul general spoke at a one-day workshop that we did on the China plan process. We engage at the highest level and it has to be a two-way engagement. If the engagement was one way and based only on what Scotland wanted to get from these countries, it would not go very far. In fact, when you want to build relationships in, for example, the middle east and gulf regions, if you do not show a commitment to and take an interest in their country, they will not take an interest in yours.

It has to be a two-way process, so engagement with stakeholders is important. Our globalscot network helps with that, because we can engage with globalscots in key regions and key areas all over the world. There are also consular corps, ambassadors and businesses based in these areas.

Willie Coffey: The minister will probably recall the relationship that we had with the emerging countries of Kosovo and Montenegro during his time on the Public Audit Committee. I do not wish to give the minister any more work than he currently has, but the message from those emerging countries was that they need advice and guidance on scrutiny and on how to hold Governments to account, because they have perhaps lacked such mechanisms over long years. The request to our Parliament was for not investment and funding, but for a different type of assistance—they wanted us to share our expertise. Do you envisage that role developing in the future and our offering such assistance to these countries?

Humza Yousaf: I remember the engagement with those countries when I was on the Public Audit Committee and I am sure that the Justice Committee, which I also sat on, also engaged with them.

The Parliament has a role. The Government has tight resources and tight budgets in terms of the human resource and financial resources. We must be very targeted in our engagement, hence we have priority countries. However, there are other

countries that we focus on outwith the priority countries.

For example, there is no country plan for Japan, but there is a huge amount of engagement with it on issues such as renewable energy and food and drink, and it has had a consulate here for 20 years. We focus and target. The countries that Willie Coffey mentioned are not a priority focus for the Government in respect of our goals of economic growth and cultural and diplomatic links.

We can absolutely build engagement through the Parliament—I agree entirely on that. This Parliament, although relatively new, already has much expertise, and its committees and procedures are recognised throughout Europe—if not throughout the world. For example, the Public Petitions Committee is seen as one of the leading examples in Europe of transparency and engagement with the public. The Public Audit Committee and our public audit infrastructure are at least Europe leading if not world leading. The former Auditor General often went to conferences around the world, because his expertise and Scotland's approach were recognised. Other committees in this institution are also recognised. There is definitely a role for the Parliament. Because the Government's resources are restricted, we have to be focused. However, I am more than happy to discuss matters further with Willie Coffey if he thinks that there are specific actions that we could and should take.

The Convener: Before we move to the next question, I declare an interest in that I am involved with the Westminster Foundation for Democracy project in Montenegro. I was out there for a few days at the beginning of the summer. You are absolutely right about the Parliament and individual members getting involved in projects in countries with emerging democracies. I am involved in a political youth academy to encourage the ideas and skills of young people in Montenegro. I am happy to speak to you more about that, if you are interested.

Humza Yousaf: I would be happy to speak about that.

Neil Findlay (Lothian) (Lab): I have listened carefully to what you have said, minister. You have spoken a lot about industry, commerce and business opportunities, but I do not think that you mentioned much about democracy and human rights. Do you intend to link some of the funding to the promotion of that agenda? Will some of the country plans, say those for China and Pakistan, reflect some of the widely held concerns about democracy, human rights and good governance issues in those countries?

Humza Yousaf: The member raises an incredibly important point. The issue of human

rights is top of our priorities. The way in which to have a more effective role in promoting human rights can be through trade and investment and building cultural relations. The situation is similar to personal relations—if you do not know somebody or you are a stranger off the street and you tell them that their behaviour is terrible, they are unlikely to listen. It can be more effective to build up a relationship or friendship with people and then express concerns in the correct manner.

As a back-bench member, I raised many concerns about human rights. I have a personal connection with Pakistan, as my father came from there and I have an ancestral relationship with it. I have raised with the consul general human rights issues that have upset me, particularly on gender equality. I can do that because I have a good friendship with the consul general, which is born out of our interest in bringing the two countries together through trade and investment and cultural and diplomatic connections.

When the First Minister was in China, he talked a lot about climate justice. That was the angle that he chose to take to raise the issue up the agenda. He met Amnesty International before he went. I intend to proceed in a similar way. Wherever I go or wherever we engage, it is important that we keep up the dialogue with the organisations that promote that agenda.

Neil Findlay: The Scottish Parliament information centre briefing on the Government's country plans states:

"The previous plan identified key areas of collaboration through existing and potential links between Scotland and China in the fields of business, education, science, culture and tourism."

Those are the key objectives, but I do not see democracy and human rights on that list. You mentioned that human rights issues are one of the top priorities. If so, will they become one of the key objectives of any new plan?

09:45

Humza Yousaf: Without its being said, it can be assumed that human rights and democracy are key to what we do. We would not be pursuing any agenda other than the promotion of democracy. We believe whole-heartedly in democracy, transparency and accountability, and the partners we engage with know that. We do that in different areas and different countries. For example, the international development fund projects in Malawi have a focus on improving human rights, so there are projects to support those who are the most marginalised, including those with AIDS or with disabilities, as well as education programmes for blind people and to promote gender equality.

The new China plan and the international framework will include references to human rights and the pursuit of human rights, so I can give you that assurance. If you would like to discuss the new China plan and the new international framework once it is developed, I will be happy to do that. It is important to note that building relations and friendships is one of the best ways of influencing behaviour. We have seen that in many geopolitical situations on the international stage. When we bring people into the tent, it is much easier to influence behaviours and to have an honest discussion about democracy and human rights within that framework.

Jamie McGrigor: I understand that the international development budget has been frozen at £9 million—presumably, that is £9 million per annum—of which £3 million goes to Malawi projects. I also understand that you are consulting with the Malawian Government on the possibility of moving the Malawian grants on to a three-year cycle. What difference will that make? What is the cycle at the moment? Why do you want to move to a three-year cycle?

Humza Yousaf: As you say, we are consulting the Malawian Government about that. Bringing in a triennial cycle for those funds would make a lot of sense, given that other funding rounds are on similar cycles. We could then focus one year on Malawi, one year on south Asia and one year on sub-Saharan Africa. However, this will be done only in consultation both with the Malawian Government and with those who are working here on Malawi, such as the Scottish Malawi Partnership, so that we do not upset projects that are doing a lot of good works.

On the Malawi connection, it would be only right to put on record the amount of work that was done by previous Executives in building that historic relationship. Many of the former members of the previous Executive, including Lord McConnell, still take a huge interest in that. It is important that we engage with all those partners and we will continue to do so, but the reason for the proposed change is so that we can have a year-on-year focus on specific regions rather than focus on two regions in one year. This would just tidy that up.

On top of that, the proposal also comes from feedback that we received from our summer of engagement with the Network of International Development Organisations in Scotland and the Scottish Malawi Partnership. An online survey and engagement process revealed that a number of NIDOS and SMP members believe that realigning the international development fund in this way would be helpful. We are hoping to implement that direct feedback from the sector.

Roderick Campbell: How can we measure the effectiveness of Scotland's international offices?

Humza Yousaf: Again, this goes back to what I was saying previously. The figures for SDI are published in Scottish Enterprise's annual report. We monitor things such as trade and investment figures and export figures—those come from a number of different bodies, such as Scotland Food and Drink—and we monitor what regions we are effective in, so these things are under constant review. We also speak to colleagues in Creative Scotland on how cultural links are progressing. In a time of economic difficulty and fiscal austerity, resources have to be reviewed constantly so, as a function of where we are, we keep these things under constant review and evaluate them by working with partners such as Creative Scotland, VisitScotland and SDI. We look at the data to see whether we are making regular improvements in the priority countries.

The Convener: Just two other points come to mind. First, I see that the international development plan includes three on-going projects in Iraq. It would be quite interesting to have a bit of insight into those.

Secondly, as a Lanarkshire lass who has a long history with the David Livingstone Centre in Blantyre, I was heartily disappointed when the boundary changes shifted it out of what is now my constituency. Could you give us an update on where we are with the plans to celebrate the 200th anniversary of David Livingstone's birth?

Humza Yousaf: I will start with the David Livingstone bicentenary, as you have a constituency interest in it. I was delighted when I was given responsibility for the bicentenary. Plans are very much under way. The Scottish Government will contribute £250,000 towards ensuring that there is a sustainable legacy from the bicentenary in 2013. The funding will focus specifically on Scotland's links with Malawi's skills development for the protection of our countries' shared heritage. The funding includes £100,000 for the National Trust for Scotland, which operates the David Livingstone Centre in Blantyre, to develop a programme of celebration events. The programme will be announced later this year. I am more than happy to discuss specific elements of it with the committee.

Just shy of £150,000 is going to the National Museums of Scotland, which is working with National Museums Malawi on a Livingstone exhibition and skills development programme to ensure the protection of Malawi's history and heritage. We will also be providing funding for Historic Scotland staff to visit Malawi later this year to look at ways of providing training and traditional building skills to help to maintain the country's monuments, historic buildings and heritage. This is not just about short-term interventionist projects but about long-term sustainable projects to

improve heritage and historic buildings, and funding that will go on for decades.

I may have one or two nice cards up my sleeve for the bicentenary. I am sure that the committee will not mind if I keep them up my sleeve for a while longer. We hope that it will be a great celebration of those historic links and that it will be about looking not just to the 200 years that have passed since David Livingstone's birth but to the 200 years ahead.

The funding for the projects in Iraq that the convener mentioned resulted from very unfortunate circumstances—[*Interruption.*] It is okay, that happens to me, too. I am glad that it is not my phone that has gone off. I had a dreadful feeling that that might happen to me, but I am glad that another member has taken a bullet for me.

Of the £1.5 million that has been made available for international development funding from the Weir Group, £1 million has been allocated for Scottish charities and non-governmental organisations to work with Iraqi partners to support civil society and development in Iraq. I know from my discussions as a back bencher that some of the money that was given to Islamic Relief in Iraq was to support women who had become widows as a result of the conflict. Such activities go right into communities at the grass roots and help the most vulnerable. There has been £300,000 for water development in Iraq, through the United Nations development assistance framework for environmental management. Initiatives include a £100,000 match-funded donation to new Scottish charity the Linda Norgrove Foundation for humanitarian work in Afghanistan, so the money has been spread past Iraq. Also, I think the convener knows about the £100,000 for the National Youth Orchestra of Iraq's tour at this year's Edinburgh festival, in association with the British Council.

The money taken from the Weir Group is being used in recognition of the clear need to support Iraqi civil society. The Iraq funding round has funded three projects in Iraq undertaken by Islamic Relief, Oxfam and Save the Children, which are working to address issues of gender, human rights and civil society and aiming to improve a dreadfully desperate situation.

The Convener: That is all very welcome. I look forward to a slice of birthday cake for David Livingstone's 200th anniversary.

Humza Yousaf: I will ensure that that happens.

The Convener: Just a quick point from Jamie McGrigor, because I want to let the minister get away in a minute or so.

Jamie McGrigor: It is wonderful that the 200th anniversary will be celebrated but, rather than

having too many statues, could we have something meaningful, such as bursaries for students to go to Malawi? Dr Livingstone would have approved of that. Committee room 6 is named after him, is it not?

Humza Yousaf: I presume.

Jamie McGrigor: I apologise for my mobile phone ringing earlier.

Humza Yousaf: That is okay.

I will certainly reflect on what the member says. I am pretty sure that we have educational bursary programmes for Malawians—perhaps my officials will comment on that. We will look into that. However, it is important not to underplay the significance of cultural infrastructure—of historical and heritage infrastructure. We can find a balance. I have not relied on my officials too much today and have not asked them to speak too much, but they might have more information about scholarships.

Heather Jones (Scottish Government): I will make one point about links between Scottish schools and Malawian schools. Until recently, the Malawian school calendar followed a different pattern from the Scottish one, so Scottish teachers and pupils could visit Malawi during the school holidays in Scotland, when Malawian schools were in session. However, the calendars are now aligned, so visits can be made only during school terms, which means that pupils are out of school. The number of visits from Scotland to Malawi has dropped significantly for that reason, rather than anything else.

The Convener: It was good of Jamie McGrigor to mention that a committee room is named after David Livingstone. I was one of the MSPs who lobbied for and promoted that name change.

We thank the minister very much for an interesting and informative session. We look forward to working with you on many issues in the coming period.

09:57

Meeting suspended.

10:03

On resuming—

Euro Zone Developments

The Convener: I hope that everyone is refreshed. We move on to agenda item 3, which is consideration of the responses from the Scottish and UK Governments to the committee's report on developments in the euro zone. Members have a paper that includes the Scottish Government's response, as well as a copy of a letter from David Lidington MP, who is the Minister for Europe at Westminster.

The Scottish Government broke down its response into sections of the report on which we were very interested in getting answers. It seems to be an extremely positive response. I hope that members will have a look at it and give me their thoughts and feelings.

The letter from David Lidington does not go into a lot of detail, and I am a wee bit disappointed that it does not address some of our main points. If members give me their thoughts and feelings on that, we can discuss how to contact the Westminster Government again, with a view to getting some of our questions answered. I am happy to take comments from members.

Roderick Campbell: The letter from David Lidington does not say a lot, other than that he does not rule out having discussions with the committee from time to time.

The Convener: Yes, that is right. That is one of the welcome aspects of his letter—he has agreed to have further discussions with the committee on an ad hoc basis and he has recommitted to the communications strategy that he discussed with the Scottish Government.

Willie Coffey: As a new member of the committee, I come to the issue at the end of the committee's inquiry. The message that I take from these responses is that we seem to have a problem with communications. Perhaps the Scottish Government's impression of what good communications are is different from the UK Government's.

As I understand it, such matters are laid out in the memorandum of understanding. I know that there has been a bit of tension between the two Governments over the past few days, particularly on transport. Given that as well as affecting the European and External Relations Committee the issue is now reaching into transport, what do we think that the Scottish Government and the UK Government are doing to improve lines of communication so that we do not get such misunderstandings?

The Convener: That is a highly pertinent question, but it is not one that I can answer at this stage. It is certainly an issue that we can take up with both Governments.

Do any other members—Jamie McGrigor or Helen Eadie, for example—have comments?

Helen Eadie: No.

Jamie McGrigor: I thought that both responses were quite sensible. It is obvious that there is good communication with Ian Duncan, as is made clear in the Scottish Government's response to paragraphs 62 and 63 of the committee's report.

The Convener: Is the committee minded to explore some of the issues and to reaffirm the need for constant two-way communication, not just between the two Governments but between each Government and the committee? Are members happy to pursue that?

Members indicated agreement.

“Brussels Bulletin”

10:07

The Convener: We move on to agenda item 4—the “Brussels Bulletin”, which, as you know, Ian Duncan expertly puts together. In some cases, things change within hours, so I will hand over to him to give us an insight into the most recent edition.

Ian Duncan (Clerk): Thank you very much, convener. I will touch on just a few things in this month’s bulletin.

Members will have discovered that every bulletin now has a section on developments in the euro zone, which is usually by far and away the most significant part of the bulletin. One of the bigger issues, which I am sure that members will be aware of from the news, is the manner by which Europe’s banks are to be recapitalised. A big victory in the summer council meeting was the decision that the new bail-out funds would be able to assist banks directly rather than the money having to be fed through the national exchequers. It now seems that three countries are claiming that they did not really mean that, and that such an arrangement would apply only to future problems and not to the current bank problems, which seems a little disingenuous. That will remain a highly significant sticking point until it is resolved.

There are a few other points to touch on. A think tank in Brussels has produced a report that is extremely interesting in light of our engagement with languages. I just want to draw the committee’s attention to a couple of points that it makes. First, only two countries in the EU do not have compulsory language training in primary school—the UK and Ireland. Secondly, in the German-speaking province in Belgium, foreign-language training begins at the age of three. That is a reminder of just how far some countries go to ensure that their children are well equipped for the future. The final point that is worth noting is that English accounts for 73 per cent of all the foreign language learning in Europe, which is a reminder in the other direction.

At our previous meeting we spoke a little about the water blueprint and what it would mean. I had a chat with a few people in Brussels about that last week. The plan is not to create new legislation but to ensure that the current legislation works well. People are anticipating not new law but the refinement of existing law. Hanzala Malik, who is not here, had asked about the water framework directive. That will be looked at again; there are still some rough edges. A bigger concern of the Commission is that the member states have not implemented a number of obligations, or have not

implemented obligations particularly well. The intention is to horizon scan, ascertain where implementation has not worked and address deficiencies.

I am happy to take questions on anything in the bulletin.

Jamie McGrigor: In the “What’s happening?” section on page 2, in relation to the financial transaction tax you said that some countries

“disagree on whether the proceeds from such a tax should be fed directly into the EU budget (thereby reducing the contributions of certain member states).”

I do not understand how such a reduction would happen.

Ian Duncan: I am happy to help. As the EU institutions begin to discuss the next budget and how it will be funded, they are keen to look at own-resource funding—that is, the money that comes directly into the EU from its own taxation. Imagine that the EU sets a budget of, for example, £100 billion for a particular area of own resources. If much of that can be raised through its own tax, it means that member states’ contributions will be less.

As you will recall from previous discussions, a financial transaction tax would be—broadly—a tax on London and probably on Edinburgh. Some 70 per cent of the tax could well be paid by Britain, which is not that popular—although it is very popular elsewhere.

Jamie McGrigor: However, that will not affect us, because we are not in the euro zone.

Ian Duncan: That is right, but there is a read-across, which is one of the issues. The financial transaction tax is one that people are trying to move across, because if most transactions are done in London the tax will not raise much—

Jamie McGrigor: So people want to get transactions to Frankfurt, or somewhere like that.

Ian Duncan: There is an ambition—

Jamie McGrigor: Is this another move to use Frankfurt rather than London as a financial centre?

Ian Duncan: The financial transaction tax has become a hardy perennial, because it is being discussed a lot, but another of the issues being discussed is the ambition to ensure that transactions are done in euros. That would immediately penalise London. There have been other discussions about ensuring that transactions are fed through institutions in the euro zone. There are lots of attempts to ensure that the euro benefits.

France is keen to drive the issue forward and secure agreement through enhanced co-

operation, which allows a smaller number of member states to reach agreement. The idea is—

Jamie McGrigor: It requires nine, does it not?

Ian Duncan: Yes, that is right. Others may join in later. However, France has not secured support for that yet, which is interesting, because one might have anticipated that France would have lined up the ducks before setting sail. That has not happened. It will be interesting to see where the issue goes. Currently, the transaction tax is more an academic discussion; there is no meeting of minds in the Council.

Jamie McGrigor: Thank you.

Roderick Campbell: Will the vote in the Catalan Parliament come after the Catalan parliamentary elections on 25 November? I am trying to get a sense of the chronology.

Ian Duncan: I think that the referendum will come after the general election.

Willie Coffey: My attention was drawn to the comment on page 8 about the new study on public procurement. May we have more information about what that means for the Scottish Government's proposed legislation on procurement? Could there be interaction between those two pieces of work, to everyone's benefit?

I am also interested in the 4G roll-out in the UK. Is there a European perspective on how member states approach the issue? It is crucial in the context of inclusion and many other issues that the Parliament has discussed, and I would be interested in hearing about the European dimension if that is possible.

10:15

Ian Duncan: Absolutely. The European Parliament's Committee on Regional Development has published a comprehensive study as part of the continuing European drive for public procurement to achieve greater conformity across the member states. We can provide more information on that—that would not be difficult at all. As the minister said earlier, we are moving towards the endgame for the cohesion structural funds budget allocation. That will be resolved very soon, and we can provide more information on that.

The same is true of the 4G issue. There will be a European dimension to it in how other member states are rolling it out and how we can compare across member states. We may be able to seek information on that. I am loth always to point the committee to the Scottish Parliament information centre, but SPICe can perhaps help us to gather some more information and we can report back at a future meeting.

Helen Eadie: Just over two weeks ago, I went to the European Parliament's premises at the Tun for a seminar on public procurement. It was attended principally by solicitors, but local government officials and councillors who are involved in procurement were also there. One of the key speakers was Catherine Stihler, and there were other speakers from the world of solicitors. We were told that there will be two key votes: one will be on 8 October—just next week—and the other will be on 12 December. The big concern was expressed that there is no certainty across all the EU member states about the social policy aspect of procurement.

I, personally, have been delighted that article 19 of the procurement directive helps supported businesses such as Remploi factories to have legally protected, reserved aspects of their contracts. However, it seems that all of that is now up for debate. Catherine Stihler told us that there are something like 1,017 amendments that put in jeopardy that aspect of the directive. I do not know the prognosis for the outcome of that debate—I missed that bit of the discussion—but real anxiety and worry was expressed about that. The Hungarian Government and others have moved to the right, and whether they want to preserve the social policy that we want in procurement is unknown at this stage.

The Convener: That is a relevant point. Given that the Scottish Government is introducing legislation on public procurement and we all have a focus on the social policy element, would it be appropriate for the committee to ensure that the study is brought to the attention of the Scottish Government? I do not doubt that the Government already has it but we could make sure, emphasising the risk of the social policy aspect being placed in jeopardy and asking the Scottish Government to recognise that. That would inform our conversations on the issue.

Ian Duncan: Yes, absolutely. Helen Eadie is right. The committee in the European Parliament will make its decision next week and the plenary debate will take place before the end of the year. Between those two points, we can get a broader sense of the amendments, some of which are quite controversial. You are right to suggest that one big question is the definition of what constitutes a social issue. Some countries have a very narrow definition while others have a more expansive definition. Some of that will be resolved through the amendment process, and we will have a better idea of the position after next week.

The Convener: If members are content to move on, the only issue that I want to raise, which is not in the "Brussels Bulletin" but which is topical, is whether there has been any EU discussion on last

night's developments between Syria and Turkey given Turkey's position in Europe.

Ian Duncan: I read about that in a newspaper this morning—I am afraid that I have not done any research other than that. I am, however, aware that the EU has been very active regarding Syria, both at a parliamentary level and within the European Council. You will know that the high representative for foreign affairs, Catherine Ashton, has been to Syria on several occasions to try to assist. I suspect that the recent incendiary developments will be discussed significantly throughout the various offices in Europe, and I am happy to report back on those developments at the committee's next meeting.

The Convener: Is the committee content to bring the "Brussels Bulletin" to the attention of the relevant committees?

Members *indicated agreement.*

The Convener: Thank you, Ian.

We previously agreed to take agenda item 5 in private.

10:20

Meeting continued in private until 10:29.

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