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Pàrlamaid na h-Alba

Official Report

EUROPEAN AND EXTERNAL RELATIONS COMMITTEE

Thursday 1 May 2014

Session 4

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EUROPEAN AND EXTERNAL RELATIONS COMMITTEE
11th Meeting 2014, 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)
*Jamie McGrigor (Highlands and Islands) (Con)
*Alex Rowley (Cowdenbeath) (Lab)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Dr Lloyd Anderson (British Council in Scotland)
Colin Cameron
David Fish
Dr Hilary Homans (University of Aberdeen)
Dr James Mackie (European Centre for Development Policy Management)
Dr Neil Thin (University of Edinburgh)
Gillian Wilson (Network of International Development Organisations in Scotland)

CLERK TO THE COMMITTEE

Katy Orr

LOCATION

The Mary Fairfax Somerville Room (CR2)

Scottish Parliament

European and External Relations Committee

Thursday 1 May 2014

[The Convener *opened the meeting at 09:03*]

Independence: International Development Policy

The Convener (Christina McKelvie): Good morning and welcome to the 11th meeting in 2014 of the European and External Relations Committee. As usual, I request that mobile phones be switched off. We have received no apologies from committee members.

Agenda Item 1 is a one-off evidence-taking session, and I welcome all the witnesses to this round-table discussion. Before we start, I will outline the rules of engagement. It is absolutely fine if witnesses want to comment on each other's contributions; you should just catch my eye and let me know that you want to speak. You should also make your comments through me, as convener, as it will allow us to proceed in a decent manner.

I hope that we have a very fruitful and interesting discussion. A table plan has been provided, so you should all know who is who. Everyone also has a nameplate, but as I cannot see all those at the sides of the table, I will just stick to my table plan.

Before I go round the table and get everyone to introduce themselves formally, I must pass on Professor Carbone's apologies. He is dealing with a family emergency and is not able to join us.

I will begin the introductions. I am the MSP for Hamilton, Larkhall and Stonehouse.

Hanzala Malik (Glasgow) (Lab): I am the committee's vice convener. I represent Glasgow as a regional MSP.

Clare Adamson (Central Scotland) (SNP): I am a Central Scotland MSP.

Colin Cameron: I am from Irvine in Ayrshire. For 15 years, I was the honorary consul in Scotland for the Malawi Government.

Dr Hilary Homans (University of Aberdeen): I am the director of the centre for sustainable international development, which was set up four years ago. Prior to that, I worked for the United Nations for 13 years. I also worked for the Department for International Development for 13 years, during which time I spent 10 years living in sub-Saharan Africa.

Alex Rowley (Cowdenbeath) (Lab): I am the MSP for Cowdenbeath.

Dr James Mackie (European Centre for Development Policy Management): I work at the European Centre for Development Policy Management in Maastricht, and I also teach international development at the College of Europe in Bruges.

Dr Neil Thin (University of Edinburgh): I am a social scientist who teaches international development.

Roderick Campbell (North East Fife) (SNP): I am the MSP for North East Fife.

Dr Lloyd Anderson (British Council in Scotland): I am the director of the British Council in Scotland.

Willie Coffey (Kilmarnock and Irvine Valley) (SNP): I am the MSP for Kilmarnock and Irvine Valley.

Gillian Wilson (Network of International Development Organisations in Scotland): I am the chief executive of the Network of International Development Organisations in Scotland, which is an umbrella body for international charities. I apologise for arriving late.

David Fish: Despite my accent, I am from rural Lanarkshire. I was previously DFID's director for Africa and head of DFID's operation in Scotland, which is based in East Kilbride.

Jamie McGrigor (Highlands and Islands) (Con): I am a regional MSP for the Highlands and Islands.

The Convener: Thank you all very much. We have until around 10.30 for our discussion, and I hope that we will be able to pack as much as we possibly can into that timeframe.

To get us started off, I want to throw a gentle general question out to the floor. There is an idea that Scotland could be a global leader. What would that mean? Have your experiences in Scotland, the United Kingdom or around the world given you confidence that Scotland could be a global leader in international development?

Gillian Wilson was the first to catch my eye.

Gillian Wilson: First, I must make it clear that, as a charity, we do not take a position on the constitutional outcome. However, whatever that is, Scotland could be a global leader in certain areas.

An idea that the Scottish Government has begun to talk about and on which there seems to be emerging consensus is a more coherent policy approach to international development. The fact is that, although providing aid is very important, that on its own is not sufficient, and we want to ensure

that all the actions that we take across Government and society add value. That kind of approach is happening in other countries. We could not only join that group, but show that we could lead in certain areas such as renewable energy or climate justice. With the passing of the Climate Change (Scotland) Act 2009, Scotland is the first country to have that kind of ambitious climate change legislation, and it is also looking at climate adaptation and taking a coherent approach across different Government areas. We could be leaders in other policy areas, too.

Dr Homans: You have asked a really important question, convener. However, I might rephrase it differently because, in many ways and particularly through the higher education sector, Scotland is already a global leader. Indeed, analysis of a percentage of academic publications shows that Scotland is at the top of the league tables.

On 3 April, we had a meeting that was jointly convened by NIDOS, CIFAL Scotland and our centre. As part of the background for that meeting, we consulted all the higher education institutions in Scotland that work in international development and found five particular areas of expertise: energy; environment; global health; governance, which is important for social justice issues; and capacity building. Scottish universities and institutes of higher education have a long history in that area, particularly in training people from and in developing countries.

The consultation highlighted an area where we felt that things could be strengthened. I note that on page 3 of the Scottish Parliament information centre's briefing, it says:

"The Scottish Government currently provides funding to two networking organisations".

We felt strongly that there was a role for support to academia and higher education institutions, particularly in the development of what we have called research and sustainable development policy hubs for the five areas that I have outlined, to get even greater leverage from the higher education institutions in translating first-class research into policy and practice in the context of development.

Building on what Gillian Wilson has just said about the climate justice fund, I think that another area where Scotland could take the lead is in providing a code of conduct and good practice for everyone from Scotland who works in international development, be they from the business or corporate sector, civil society, higher education or wherever. That could be critical, and it is really needed, particularly when we consider the post 2015 development agenda and the emphasis on governance, accountability and open and effective systems.

Those are two areas that I think are really important.

The Convener: They are small areas, too. [*Laughter*.]

Dr Homans: Just small ones, yes.

Colin Cameron: I thank the convener and the committee for inviting me along today. I appreciate it.

I have three bullet points to put forward. I have also submitted written evidence, and I am quite happy to answer or expand on anything you wish. If it is all self-explanatory and you have no questions, that is no problem.

The principle that I work on is that Scotland can give quality on the world scene. It is not quantity that we are after. When I consider all the aspects of anything that I have been involved in, I believe that that is how Scotland can be decisive in showing a way forward.

As I say, I have three points to make, the first of which is about Malawi. The Westminster Government, through DFID, supports Malawi's current account through budgetary support, and I hope that the European and External Relations Committee, the Scottish Government and all members ensure that, on independence, Scotland takes over a share of that support. I feel it important that in the on-going relationship with Malawi—and in negotiation with DFID—we show that its current account is supported.

My second point is about an approach that we would like DFID to take, and which we would like Scotland to adopt. I am referring to capital projects, if Scotland gets involved with those. I know from living in a developing country that the donee country has difficulty in filling the recurrent account arising from capital projects. I feel strongly—and the committee should propose—that an element of the capital that is moved into a project should be allocated to recurrent costs, say, to cover the recurrent costs of a hospital for three years on a tapering basis so that, when the hospital is built, people will have been recruited, wages will be available for the first one, two or three years and the project will be on-going. The sad thing that we often find in developing countries is that a hospital might be built but could lie empty for three years, and I am trying to find out whether there could be an in-built element to cover recurrent expenditure.

Finally, successive Scottish Governments over the years have had discussions twice a year with committees of people who are interested in this subject. Although they are not elected, they have experience. We do not have a Senate or a House of Lords, but we should have some group that is willing to speak openly with the minister or cabinet

secretary about its ideas. That approach can work. When I became involved in this issue, I was concerned that, although we spent some time preparing for the meetings, the discussions were not followed through.

09:15

I ask for that to be reconsidered to ensure that when a group of men and women come forward to speak with the minister, minutes are taken and the points that they raise are dealt with—although I am not saying that they should be necessarily accepted. It is a worth-while idea. I have put the rest of my points in my written evidence, on which I am happy to expand.

The Convener: Other members of the committee will pick up on specific themes, so we will, I hope, cover everything.

Dr Mackie: Thank you for inviting me, convener. I agree with a number of things that have been said about the areas in which Scotland could be a specialist, and I think that Colin Cameron's point about looking for quality rather than quantity is the key starting point.

Although renewable energy, education and governance are certainly important, I would add public finance management to the list. This country has a strong financial industry, and it is becoming more and more important in international development as we move further away from projects that are managed by outside actors towards work that Government conducts and funds through budget support.

Although aid modality is still limited, we will move more in that direction as we move towards making more public goods available at international and national level. I think that the future lies in donors providing budget support to Governments, which will decide how they use that support. The condition for that is excellent public finance management, and I strongly emphasise that expertise and good solid management are important in reassuring both sides in the bargain.

David Fish: I should start by saying that I do not represent DFID; although I spent a lot of my working life in the department, I am speaking as a private individual.

The issue of global leadership is very important. Certainly since 1997, Britain has been a major global leader on the development scene, and Scotland, through the Scottish Office presence in East Kilbride, has played a major part in that work.

I see global leadership as promoting transformational change and having a real impact, and I am afraid that I do not see Scotland as being able to exert that sort of influence in the world. Scotland could certainly do a lot of very worthy things, as it does now. Everything that Scotland has done in that respect, including the programme that, in a way, I helped to nurture through the Scottish Office in East Kilbride when Scotland was given the power to have an aid programme, has by and large been extremely worthy.

However, if Scotland is looking to be a global leader, it will not have the weight that comes with being a member of the United Nations Security Council, the board of the World Bank or the International Monetary Fund. Local non-governmental organisations do a fantastic job, but, with the best will in the world, the real transformational change comes when the Governments of the countries in which we are working begin to run their countries properly in the interests of all their people. Of course, the same applies to Britain and Scotland. Transformational change will happen only when the Government of a country realises that the country's resources are for the benefit of all the people, and it puts in place systems and processes to ensure that it delivers on that responsibility.

The international community—not just Britain, although it has played a leading role in developing arrangements—works with the World Bank, the European Union and a lot of other donors to put in place arrangements with local Governments that ensure that the development aid that we give is used to best effect. It is a long hard slog in a lot of places, and budget support, which has been mentioned, has been a crucial part of that effort.

I very much hope that, whatever it does, Scotland will consider putting significant amounts of money into that sort of operation. Scotland's commitment to work with multinational agencies will inevitably lead it in that direction. However, the answer to your question is that I do not really see Scotland being a global leader in the way that I interpret that phrase, although there are a lot of areas in which it can have a very positive influence.

Jamie McGrigor: In your submission, Mr Cameron, you say that

"the needs and interests of the Donee Country are paramount".

Can you point to any past examples in which those needs and interests have been upset in some way and have not been seen to be paramount, or in which mistakes have been made?

Colin Cameron: Yes. Indeed, the best way of answering that question is to give you an example.

When I was a minister in Malawi upon independence, the donors—America, Germany and Japan—came with their wares and asked what I would like on behalf of Malawi. I said that

three bridges had been washed down on the lake shore road, and that it would help Malawi's interests fundamentally if they would rebuild those bridges. I also asked whether they could build the bridges mostly with cement, because Malawi had a cement factory. However, I was politely told, "No, we don't think that is a good idea. If we were going to build bridges, we would certainly bring our own metal and steel in; we would not be using your cement." After that, what I got from America—without meaning any disrespect—was a transport survey. That example shows how the donee's interests can be overlooked at a time when they are important.

The Convener: A couple of other folk want to come in—Dr Lloyd Anderson can go next.

Dr Anderson: Thank you, convener.

I preface my remarks by saying that the British Council makes a major contribution to meeting the UK's international development targets. In 2011-12, we spent £91.8 million of our grant on development in ODA—official development assistance—countries, and by 2015 we will be spending 64 per cent of our grant on development work, so it is a major part of our interest.

Secondly, we have a very long and strong track record in delivering donor-funded development programmes that are funded by DFID, the EU and others—in particular, in the middle east, north Africa and sub-Saharan Africa.

Thirdly, much of our cultural relations activity supports international development. There is a particular focus on capacity building, and we work to increase education and employment opportunities for young people. We also promote democracy and good governance, the power of civil society and giving people a vote. I just wanted to lay our credentials down.

I think that there is in Scotland a strong belief in public good, which is a very important driver for its interests in international development. However, I worry about the future. Some of the previous comments—on school links, for example—are absolutely true. A lot of schools in Scotland have links with ODA countries, and there is a real interest through the curriculum in what is happening in the developing world.

Similarly, I can point to a lot of links with ODA countries in the HE sector. However, if we look at the flow of students, it is inward to Scotland and not from Scotland to abroad; there is a real issue about young people in Scotland not being outwardly mobile. Scotland's young people not being interested in travelling abroad and seeing the issues there will have a dramatic effect on Scotland's ability to be involved in international development and to deliver assistance.

The Convener: Do you want to come in now, Dr Thin? I am conscious that everyone else has had their say.

Dr Thin: I will wait. What I have to say will come up later, so that is fine.

Hanzala Malik: Dr Anderson made a good point about the relationships of students. That is an important element for us. International activity among students in particular is important because it creates unpaid ambassadors around the world for both of the countries that are involved. Is there any mileage in having an exchange system for students? Do you think that we could secure funding for sending students overseas and bringing students from other countries back under a reciprocal agreement? That is another way of encouraging activity, but it needs to be kick-started again as it has become dormant and people have perhaps lost the idea of Scotland as a destination. Would there be any mileage in kick-starting the system with some sort of pilot project?

Dr Anderson: Absolutely. We must address reciprocity in student flow because at the moment, as I said, it is seriously unbalanced towards inward flow to Scotland. It is interesting that links are being made with schools and universities in Commonwealth countries because of the Commonwealth games but, again, they have tended to involve mostly inward flow. Exchange programmes are important.

The Convener: The British Council delivers the Erasmus programme.

Dr Anderson: Yes. We do that in Europe. It is successful, but uptake is still low.

The Convener: The committee has kept an eye on that, and in our inquiry into teaching languages to primary school children we discussed the generational change of having multilingual kids who will see their way around the world and come back and share their experiences. The Government and the committee have taken a keen interest in that.

Dr Anderson: Yes. Scotland is at the bottom of the Erasmus table in relation to outward mobility.

The Convener: We have a bit of promotion to do there, have we not?

Dr Mackie: Erasmus has a new element called Erasmus Mundus and there is co-operation between the Erasmus programme and the Nyerere programme for the African Union, which is beginning to gather momentum. The Scottish Government could put in more effort to push that and make it better known. The convener mentioned the language question, but if students from Scotland want to go to certain parts of Africa, they will be all right because they have English.

Gillian Wilson: I will take up the point about students and global education. We support the idea that the upcoming generation of people in Scotland should be well aware of our role in the world and of the need for more justice in the world. It is valuable for young people to go abroad and see other cultures and other ways of life, but we would widen that and ask for funding and support for wider global education in schools. That should involve not just exchanges but a wider understanding of why there are poor people in the world and of the root causes of poverty.

One of the themes in our report on policy coherence is that that wider understanding is an important element in ensuring that young people are aware of their role as consumers and that they keep Governments accountable on issues such as tax evasion and the economic system. We need a wide system of global education. It is interesting to learn about different cultures, but it is important to tackle issues such as how we are as consumers and what our Government does in trade and procurement. We need that much wider approach of building themes of justice into young people's understanding.

09:30

Our report looks into some of the important themes on which we need not only to educate our children but to make real transformational change. David Fish said that it would be good if we were to think about transformational change rather than just about change that we can make directly by delivering development projects. We need to consider how we can really transform the way we are in Scotland and how we operate with the world through economic exchange. One of our members, Oxfam Scotland, is pushing its humankind index and the idea of ensuring that how our economy operates is focused much more on the benefits for people and planet than it is on economic growth.

We need to think about all those aspects and ensure that we take a coherent approach. We need to check how the Government operates, how we as consumers and businesses in Scotland operate, and the development impacts that we are having on other countries. We can add so much more value if, rather than just give money, we operate in a way that is good for Scotland and that adds values for other countries. Through their education, young people need to be aware of that much wider aspect. Exchange is good, but education needs to be much wider.

The Convener: You are absolutely right. I am sure that all my colleagues on the committee will tell you that, over the past few years, 10 and 11-year-olds who have come to Parliament as part of the democracy project usually have questions on issues from Syria to poverty and hunger, to climate justice and whether people have clean water. There are amazing questions coming from 10 and 11-year-olds. If we can imbed that thinking in that age group, we can certainly make a difference.

We are quite tight for time. Alex Rowley wants to come in next, after which I will move to Clare Adamson, who has a question on a different topic. I will try to allow everyone to comment.

Dr Thin, do you want to say something now?

Dr Thin: I was going to make a point as part of the current discussion.

The Convener: On you go.

Dr Thin: We should take seriously the warning that, one way or another, we are not doing as much as we could to lead Scots towards—to use a bit of jargon—active global citizenship. Schooling systems, university courses and exchange systems are important parts of the pathway towards that. However, for model global citizens—people who express global citizenship in incredibly impressive ways—a key trigger is often international volunteering in their early years. That comes up in the biographies of famous people and in talking to people about how they got involved.

We should not neglect the role of support for international volunteering experience. That can be done in many ways. A UK report has strongly emphasised the importance of, for example, gap-year and career-break volunteering, and the need for support for those. If possible, we should support international global volunteering that is not entirely deficit-oriented—oriented towards removing a few harms or building a few school sheds—and that aims a bit higher than that, so that people learn about not just poverty, harm and suffering in far flung parts of the world but about the good things about those societies. Volunteering is well worth emphasising.

Alex Rowley: The encouraging thing in all the comments so far is that a lot of good things are happening in Scotland on international development, in higher education and in other ways.

There has been a focus in international development on the amount of aid; for example, the white paper highlights 0.7 per cent moving to a target of 1 per cent of gross national income. Some people are saying that it is not simply about that. From a policy perspective, what should be the priorities of a Scottish Government—whether in an independent Scottish state or as a Government within the UK—in this area of work?

Colin Cameron: I go back to the issue of leadership. We really need to consider what you and I mean by "leadership". On independence,

Scotland would have 5 million people and will take its seat in various communities, in accordance with its being a country of that size. Our leadership will be directed not at aiming to get to the top of where we are at the moment, but at the initiative that we can show and the example that we can give.

An example of that is the Scotland Malawi Partnership, through which we are endeavouring to establish a plan to give all secondary school pupils in Scotland a pen pal who is a pupil in Malawi. Postage is expensive, but all that will happen without cost to Malawi pupils. That is the sort of leadership that we want to see—and will see—coming through after independence.

Dr Homans: I thank Alex Rowley for the question. It is a critical issue, which has two sides. The agreement among Organisation for Economic Co-operation and Development countries to 0.7 per cent of GNI being spent on aid is one issue. The second issue is the extent to which Scotland should aspire to that. I agree with the submission from the University of Edinburgh; we need to focus less on the total sum. I am a bit worried about aid because a lot of Governments do not want aid these days. The presidents of Malawi and Rwanda have said that what they really want is not aid but technical support. They want other sorts of support.

Through their work, international financial institutions and big business are contributing quite substantially to development. I would go back to the need for a code of conduct for development work because, for me, the main issue is around sustainability and doing good, rather than sums of money. At the moment, we do not have adequate systems for measuring transparency and accountability in how money is spent at different levels. I want to link questions about what the money is for, how it is being spent, who it is benefiting, how we are tracking that and how we can ensure that any investment that Scotland makes is sustainable and does not lead to dependence. In many countries, the emphasis now is on wide-sector interdisciplinary programmes that address issues rather than focus on small-scale projects. A whole load of issues in Alex Rowley's question need to be addressed.

David Fish: Having worked for DFID and its predecessors for almost 100 years—[*Laughter*.]—I can say that the question of aid levels has always been an issue, going back to the 50s and 60s. It is great that Scotland feels able to match the commitment—the 0.7 per cent of GNI—that has been made after many years by the British Government. However, it is more important to ensure, first, that the money is doing what it says on the tin for the recipients, and secondly, that members can explain to their constituents in Scotland what they are getting for their money.

To go back to what Mr Cameron was saying, my first job overseas was in Swaziland in 1968. We tended to do what Mr Cameron said happened—we would build a school, but we did not think about whether there were any teachers there; we would build a road, but made no arrangements for it to be maintained. In those days, we could only spend on capital; we did not have the ability to spend recurrent money. The world has moved on hugely; we do not invest in capital projects now without a thorough investigation of technical feasibility and financial sustainability. I am not saying that we always get those things right, but a huge amount of effort goes into project and programme appraisal.

Going back to Mr Rowley's question, the trick is going to be for Scotland to focus on a number of areas in which it can make a real difference. It is ministers' inclination to spread money all over the place, so when the Scottish programme started ministers wanted to do activities in 20-odd countries: we helped them to focus on a small number.

As a relatively small donor, Scotland will be constrained a bit by its overseas presence. I would have thought that you will not have offices in all the world's poorest countries, so you will have to put in place arrangements to manage programmes locally and to make sure that you are in touch with local politics. At the end of the day, investment—especially investment through Government—will not work if the politics are not right.

My recommendation to a Scottish Government would be to continue to focus on a small number of countries, and to build up its expertise in-country rather than try to run everything from Edinburgh, or wherever. You should decide that you will make a real difference and find a niche in those countries, such as in financial management or technical and engineering expertise; there is a history of engineering in Scotland. You also need to be realistic about what you can do, do it very well, and do it in a way that enables you to report back to the people of Scotland what you have done with that money.

Our friend from the EU will tell you that the international organisations and consortia that get together to run big programmes put a huge amount of effort into tracking expenditure and regular reviews. They look at the situation every three, four or five months, because the world moves on. A project could have been approved in 2000, but by 2002 all sorts of things might have happened. Management of activity and development is hugely different to what it was 20 or 30 years ago. It is professional, and Scotland is potentially as capable of doing it as anyone else, but I strongly recommend that you do not try to run programmes in 20 or 25 different countries.

Gillian Wilson: We agree with a lot of what Hilary Homans was saying about looking at a much bigger picture. We welcome the cross-party support that exists for an aid programme. We would love it if we were in an ideal world in which aid was not required and—to come back to the policy coherence point—the world worked well and countries were able to generate their own revenue, to have their own business growth, and to have their own people running their own Government. It would be a bit like the Marshall plan in Europe; the ideal situation would be that aid is not needed because Governments and people do not want to be dependent.

However, we are not in an ideal world. We welcome the fact that there is cross-party commitment in Scotland and the UK Government to the 0.7 per cent figure for aid. In the short term, people are in dire need, so aid is needed while we are working in the background to remove the need for aid through transformational change. We support some of the transformational shifts that are being proposed for after 2015 for the new framework, which is looking at partnerships and collaborations between the various players—the business sector, the higher education sector, Government, and civil society. The transformation cannot work if any of those players works in isolation; we agree with a lot of the points that Hilary Homans made on that.

On aid itself, we recommend that the Government consider aid that changes things for the long term by empowering people on the ground. Various people have made the point about good governance, which is important. One of the things that drives good governance is people having the capacity to hold their Governments to account.

09:45

We would very much like to see the Government investing in supporting the civil capacity to do that by helping people locally to understand their rights and by taking a rights-based approach to the aid programme. We also want it to look at other elements of sustainability, including environmental and economic sustainability.

Another very important element that we welcomed in the white paper is on gender and focusing on empowering women. There has been so much research that shows that if we build the capacity of women there is real transformational change. We really welcome that idea in the white paper and would emphasise it.

There are other things around an aid programme that we would also welcome—for example, looking at relieving unjust debt. It is important that Governments have their own capacity to generate revenue. A lot of that revenue is coming back to countries at the moment in debt payments. We recently had a visitor from Pakistan who is the director of the AWAZ Foundation Pakistan Centre for Development Services, which is a civil society umbrella body. He informed us of some shocking statistics—for example, 40 per cent of the budget in Pakistan is spent on defence, 40 per cent on debt relief and 4 per cent on millennium development-related service delivery. That just shows the importance of some of the other things that need to go on around aid.

As I said, aid is so important in the short term because people are living in dire poverty. We cannot just say that they do not need aid in the short term, because they certainly do. However, there are so many other factors that we need to look at. We would welcome Scotland, in terms of its relationship with the UK Government either in its existing constitutional status or as an independent state, looking at debt relief as well as at, for example, Scottish companies paying tax in the countries in which they operate.

There are many factors around aid, but we certainly welcome aid and the fact that it might even be legislated for in the short term.

The Convener: We want to expand a wee bit on that topic. I think that Clare Adamson has a question on the theme of debt relief and the areas involved in that.

Clare Adamson: The white paper has quite detailed information about the do no harm policy. Could someone give me an understanding of what that means for how we would deliver aid?

Gillian Wilson: We welcome the Government's policy coherence in the white paper and the emerging cross-party consensus in Scotland. As I hope that some of the committee will know, we have produced a report called "Scotland's Place in Building a Just World". I have copies of it with me if anybody wants one. The report is also downloadable from the website. We call in the report for a policy whereby the Scottish Government not only gives aid, but takes an approach across Government activity, very much as would be the case for an environmental impact assessment or agenda review, that is policy coherent, adds value to development and is a pro-poor policy.

The Scottish Government has taken up that idea and has expressed it as "do no harm". We certainly welcome a Government checking whether what it is doing is harmful. That is a good start, but we call on the Government to be much more proactive and to add value. We would hope that the Government not only checked for damage but looked at opportunities across Government to

add value. I gave a quick example earlier about different departments being joined up around climate justice work so that there is legislation that is trying to cut emissions in Scotland because that is good for both Scotland and for reducing impacts of global change on some very vulnerable communities in poor countries. That is one aspect of the work. We also have a climate justice fund, which is adding very welcome funding to communities abroad for climate adaptation, and we are educating our children about climate change. It is much more about adding value than about simply not doing harm.

We would want the Government to look for opportunities to be pro-development in everything that it does. Procurement is another example: the Government spends £9 billion a year. It could check that that does no harm, but it could also say that it wants pro-actively to buy ethically sourced products.

We welcome a do no harm approach, but we would ask the Government to expand that to much more of an added value approach.

Clare Adamson: The Scottish Government's stated position in the white paper is:

"we will not allow commercial or other considerations, including military considerations, to influence our approach improperly."

That contrasts with some of the information in the public domain about where Westminster might be going with aid. Tobias Ellwood, the Prime Minister's envoy to NATO had

"drawn up detailed proposals for Downing Street suggesting that there is an overwhelming case for military spending"

to count toward the target of spending 0.7 per cent of gross national income. Are witnesses concerned about the different approaches to that target that might emerge from Westminster or an independent Scottish Government?

Dr Mackie: There is an on-going debate in the OECD about what qualifies as ODA and for some years there have been underlying currents that perhaps the debate should be re-opened. Across Europe we are finding that a number of Governments are becoming more prone to stating their own interests in deals in co-operation with developing countries and those interests may be trade. Whether that goes as far as trade in arms is another question.

One area in which there is perhaps a military side is peacekeeping forces. Aid money can be used for certain aspects of peacekeeping work—particularly allowances for soldiers in peacekeeping operations who are away from their regular barracks and so on—but not for armaments, ammunition or anything like that. It would be a great shame if that changed.

It is hard to avoid the wider debate about whether Governments should be stating their own interests, partly because we are confronted more and more with south-south co-operation and India, Brazil, China and other countries are saying that they want not just to receive aid, but to strike mutually beneficial agreements and have co-operation that helps both sides. Some of that might be a bit disingenuous, but it strikes a chord with many developing country Governments. They would prefer to be dealt with by donors who say, "This is what we would like, to have a good deal, but we are prepared to help you with that side of it."

It is not an easy area and a pure or absolute approach is fraught with difficulty.

Dr Thin: The do no harm idea needs to be interpreted in a way that is not literal. You cannot do aid without harm happening—that needs to be clear. That is not a philosophical quibble, but a serious point: the potential to take do no harm too far and distort your aid programme in a risk-averse direction could be at odds with the objective of helping countries that need the help most.

We should take very seriously the possibility of not just the obvious, high-visibility harm, which Dave Fish showed is a little bit rarer now, thanks to much better checks, but low-visibility harm, which creeps over generations. It comes from things such as aid fragmentation, which Dave Fish very helpfully warned us against. You do not help countries by giving lots of pieces of aid and lots of delegations—you undermine their democratic process by doing so. We do not help the poor of the world by helping corrupt regimes.

The SPICe briefing mentions a recommendation from Mercy Corps that I do not understand. It says that Mercy Corps proposes aligning

"Scottish international development funding with poverty levels,"

which is fine, with

"income inequality",

which is a bit more controversial, and with

"fragility".

I do not understand the fragility bit.

If Scotland has an aid programme that attempts to spend £1 billion a year, I desperately hope that it does so with a very small number of partner countries; that it considers looking below country level, because a huge number of the world's poor live in pockets of very large countries; that it considers having partnerships with sub-national-level agencies; and that, before it embarks on any massive spending programme, it looks closely at

things such as the code of conduct that Hilary Homans suggested and the linking up of aid programmes with any non-aid channels of influence that Scotland has in those countries.

Last time I was before the committee, which I think was seven years ago, I mentioned that Scotland's influence on international development was far greater through non-aid channels, including finance, and a year later it became clear just how badly we had been performing and how much harm we had been doing through those financial institutions. It is crucial that the aid programme is systematically linked up with the best knowledge that we have of our non-aid influences and the best means that we have of minimising harm and maximising good through those channels.

Colin Cameron: I have a comment on debt relief, but first I note that I would like a statement from the Scottish Government or the Scottish Parliament that under no circumstances will any of the aid budget be transferred to any quasi-military use. That is a fundamental principle and I would like to see Scotland stand up for it.

I agree that debts should be identified and some of them written off. That is right. It is of tremendous help to the donee country if certain of the bad debts go and are taken from the aid budget to that effect. That has been shown in the past. However, it is also helpful if, when we identify a need for a debt to be written off, we have a parallel proposal or project that will be implemented at the same time as the debt is written off. The reason for that is that the donee country, immediately a debt is written off, is in a position to take on a new one, which is a real risk. In any case, aid should be by grant as much as possible. I find it difficult to justify always looking at loans to countries.

The do no harm policy is right. The only thing that I ask is that we do not use it as an excuse for not doing something. Sometimes we think, "We might have a problem if we do that", but in aid we have to face up to difficulties. We should not use that as an excuse for not doing something.

Finally, it is important that we try not to spread our resources too thinly, because if we do so they become ineffective. Quality and not quantity is really the key, and we need to stay within the budget.

Dr Anderson: There is a bit of tension in the Scottish Government's international priorities. There is a focus on emerging economies such as Brazil, Russia, India and China, and when it comes to international development there is a tendency to focus on Malawi. Maybe Malawi could be the hub for wider engagement in sub-Saharan Africa. Pakistan also now features in the Scottish Government's international development work. That has been a good thing, particularly with regard to gender inequality, which we will come on to.

10:00

The *Sunday Herald* has been following the progress of the Queen's baton relay; you will have seen that it has been in Jamaica. A recent *Sunday Herald* article stated:

"there are ... 2300 Campbells listed in the Jamaican telephone directory"

and

"more Campbells per square mile"

in Jamaica

"than there are in Scotland".

Jamie McGrigor: Not in Argyll. [*Laughter*.]

Dr Anderson: Not in Argyll.

Jamie McGrigor: I do not know where this is going.

Dr Anderson: That is, of course, a heritage from the slave trade and from history in general. At present, 50 cents in every Jamaican dollar is spent on paying off the country's debts.

There is something about the history of Scotland and its role in the empire and in the world that makes me think that, if you are looking at priorities on the do no harm principle, certain adjustments need to be made.

The Convener: I have been following the excellent Commonwealth kids series in the *Sunday Herald* for the past few weeks; there are some interesting stories coming from the young people.

Dr Homans can go next, and then we will move on to Jamie McGrigor's area of questioning, because we are quickly running out of time.

Dr Homans: First, I reiterate what several people have said about the need for focus and not to spread support too thinly. On the do no harm principle, we must be careful in how we define harm. Programmes often have unintended consequences that are difficult to predict at the outset.

That leads me to a point that I feel strongly about, which is that it is critical to have measurement and accountability so that we are able to track progress. That is one of the key features of the United Nations millennium development goals, which for the first time enabled systems of measurement and tracking to be put in place, although in many countries those systems are still rudimentary.

A point that often perplexes me is that in some areas, such as maternal health, we may have done harm because we have increased the inequalities in women's access to reproductive health services. The millennium development goals in that area have benefited the middle and upper classes. I would not say that that has happened at the expense of the poor, but there has been an increase in inequality.

Countries such as Nigeria, which is moving to a middle-income status level, have some of the highest levels of inequality in access to reproductive health services and maternal health outcomes. The way in which we define harm must be carefully considered, and I would want us to make sure that we always emphasise the need to reduce inequalities, which is not articulated strongly enough in the white paper and the associated documentation.

The Convener: I know that Jamie McGrigor has a couple of supplementary questions; if we move on to his general area of questioning, that will allow us to cover the whole section.

Jamie McGrigor: I have questions in a few different areas, but I will pick one.

The Convener: Just knock yourself out.

Jamie McGrigor: I will be as quick as I can.

On the delivery of an international development policy, I have a couple of practical questions about what James Mackie describes in his written evidence as "a 'new donor' Scotland". What sort of structures and staff does he believe would be required? Would a new international body be required? What would be the likely costs of setting up the appropriate delivery mechanisms? Are there concerns that the new structures and staff would use resources that would otherwise have gone directly to international aid?

Dr Mackie: I argue that Scotland should consider not setting up a new structure. The Government should consider using existing structures at a multilateral level, such as the EU and NGOs, precisely to reduce aid fragmentation.

Scotland would need some ability to scrutinise, evaluate and set policy, but that can be done with a relatively limited staff. Looking around the European Union—I give some examples in my written submission—the staffing levels for delivering a small programme usually amount to approximately 200 to 300 people, spread around. However, if you are focused and you say, "We are not going to set up a separate agency; we are going to work through existing agencies and fund programmes through NGOs, the EU and the UN", you could reduce the staffing levels even further. There would be a big benefit in doing that. It would be revolutionary, as few countries work like that, but it would address the problem of aid fragmentation.

Inevitably, if Scotland becomes a new donor, it will be contributing to the problem by fragmenting aid even further. My suggestion offers one way round that.

David Fish: James Mackie describes a nice idea, but the reality is that, if Scotland has a significant aid programme, it would not be politically practical for it not to have an aid agency of some description. The political pressure on Scotland to establish a mini DFID would be quite strong, and my advice would be that you should do it, because a huge amount of professionalism is needed to make an aid programme work. My advice would be to house the agency close to your ministry of foreign affairs and ministry of defence, as one problem that we have had over many years is a fragmentation in policy.

Going back to Neil Thin's point about risk, I note that donors are becoming more risk averse, partly because of accountability issues and what the man in the street thinks, but the real transformational activity often requires significant risk. For example, Britain's military intervention in Sierra Leone sowed the seeds of progress for that country. We have had to go in and put money directly into the budget, and we will have to do so for quite a long time, which is politically quite controversial. It is vital that there is co-ordination in Government activity.

You are going to have a ministry of defence in Scotland, are you not?

Jamie McGrigor: Do not ask me—Rod Campbell might know.

The Convener: There is a whole section on defence in the white paper.

David Fish: It is important that, whatever structure you set up, you house the departments close together. If you are tempted to keep 100 people from DFID in East Kilbride, I would say that that is not a brilliant idea unless you are going to put the ministry of defence and the ministry of foreign affairs in East Kilbride too.

I certainly agree with James Mackie that, as my submission says, you would need to put a significant amount through existing channels. If you put in money through the EU, the World Bank or the African Development Bank, you can be pretty sure that it will be dealt with professionally, although it might be expensive.

However, if the Scottish people really want a development programme, they will want some sort of individual identity for Scotland. I am sure that the Malawi programme is popular, but it would not be popular if it was going through the European Union or somewhere else. Politically, you will have

to have bilateral programmes. Everybody is saying that to have five, six or seven programmes would enable you—we would hope—to run them all extremely well, but I advise you not to contract out all of that work to the internationals.

Gillian Wilson: We agree with the idea of a cross-departmental approach. In Sweden, a policy coherence model is adopted that applies across parliamentary committees and departmental committees so that there is a political and an administrative structure under which policy is looked at coherently. We definitely think that work should be done through different departments. As I said, we are interested not just in the aid programme but in the wider approach across Government.

We agree with the idea that there should be more joined-up government. There are already some examples of that in the Scottish Government. For example, the international development committee, the climate and energy team and the water team are beginning to have conversations to ensure that they are working together. We see an extension of that in which a parliamentary committee and an administrative, cross-departmental committee would look at Scotland's international impact abroad.

However, we agree that, if we are to have an aid programme, there needs to be sufficient capacity, in terms of the number of staff in the Scottish Government and their expertise, to deliver a good-quality programme. We are concerned that the present very small—but dedicated—team does not have sufficient capacity to carry out all the roles that it has. The aid programme is important, but the staff on that team often get pulled to other places. It is extremely important for a Scottish aid programme to be well resourced and to have enough experienced people.

Roderick Campbell: In its report, the House of Commons International Development Committee said:

"We are concerned that DFID does not engage sufficiently with Scottish organisations."

Could something be learned from current experience? What do you think about that comment?

Gillian Wilson: We certainly feel that DFID could be doing more to engage with Scottish organisations. I can speak only from the point of view of civil society, but I think that that statement would apply equally to engagement with the higher education sector and business players in Scotland. DFID has not been engaging with such organisations as much as it could do, although it is beginning to engage more. It engaged on the collaborative event that we did with the University of Aberdeen and CIFAL Scotland, which Hilary Homans mentioned, and its post-2015 team is beginning to talk to people in Scotland, but it could do a lot better.

The learning from that is that, if Scotland were an independent country, or even under the existing constitutional arrangements, the UK and Scottish Governments could be much more engaged with a range of players in the country.

The Convener: We will hear from Dr Neil Thin, after which Jamie McGrigor will continue with his line of questioning.

Dr Thin: I will be brief; what I will say is a follow-up to Gillian Wilson's answer to Jamie McGrigor.

It is important to think as separately as we can about whatever new structure might be needed to manage this huge aid programme and about what structure we could devise that would ensure policy coherence and enable us to understand better our roles in international development. There is a little lesson to be learned here. In 2003—roughly 10 years ago—we drafted the Scottish international development policy. Following on from that, we started a programme that now spends £9 million or so, which in aid terms is absolutely tiny, although it is high profile in public interest terms.

To support the Scottish Government's office for international development, we devised a committee with a couple of academics on it, and I was one of them. There was someone from DFID and someone from the church. I urged that it be expanded to include members from business, the trade unions and financial institutions. The lesson that I learned from that was that even the tiniest aid programme can distract people's attention entirely from the business of understanding international development.

That committee never discussed what it was set up to do, which was to understand how the policy could be implemented; we only discussed tiny little donative projects. We never had formal meetings to discuss policy. We had cocktail parties endlessly. Jack McConnell was very generous—he invited us to dinner many times. Very occasionally, we would discuss the fine details of specific, tiny projects and how to deal with press inquiries about soup kitchens, and decisions about whether it was a good idea for the minister to be photographed next to the soup kitchens. That is the level of the stuff that we discussed.

I do not agree with what Dave Fish said about our ability to be a global and transformative leader in various areas. We can do that in areas such as science and education, for example—and possibly even finance, if we learn how to do finance responsibly. However, to do those things, we need to get the right people round the table to talk regularly and we need to link that talk with action that is not just about donative projects.

10:15

Jamie McGrigor: Convener, am I allowed to move on to deal with more and better aid?

The Convener: I would be delighted if you did.

Jamie McGrigor: The Government's white paper enshrines the figure of 0.7 per cent of GNI for aid and says that the Government wants to move to 1 per cent. I think that that is wonderful, but I am interested in what people here think about the ability of Scottish non-governmental organisations to absorb that increase and to spend the increased available funding as it should be spent. Do the necessary capacity and expertise exist in Scotland or would they have to be created, and what would that cost? Is that too broad a question?

David Fish: It is a tough question.

Dr Mackie: I do not think that the capacity exists in Scotland at the moment. I do not have an in-depth knowledge of the Scottish NGO scene like Gillian Wilson does, but I know that it would require an awful lot of capacity. However, I do not think that you would be doing that—I do not think that you would put everything through NGOs. If a bilateral development agency was set up, a proportion would go through that.

There are a lot of agencies around the world that can deliver aid. In fact, there are far too many, with trust funds and various funds of all sorts. I would have thought that it would be a question of choosing ones that you felt were particularly professional and which worked well in areas that you were interested in, and then focusing on those and not spreading yourself too thinly. For example, you could contribute to the global funds for AIDS or tuberculosis, or to the Africa-European Union trust fund. That would shift large sums of money.

Alternatively, you could put money through budget support directly to the Governments of Malawi, Zambia or wherever. That would require a certain number of staff to monitor the process, manage it and evaluate the way in which it is done and to work out the deals in terms of the finance, but you would not have to deliver the work. The development work would be done by the Government in whichever country you supported. There are a range of agencies from international bodies and EU bodies down to the Governments of partner countries and then NGOs.

Of course, you do not have to use only Scottish NGOs. Across the EU, NGOs apply to various Governments and not just their own, so you will get Danish, Swedish or French NGOs coming to the Scottish Government to ask for funds. Assuming that you are in the EU once you have independence, the way in which the EU is structured means that you would expect to be able to answer those demands.

Gillian Wilson: We agree that we would not expect NGOs to absorb all the extra money. We currently support a diverse aid programme that is run through the UK Government, for example. As Jamie McGrigor suggests, Scotland does not have the capacity to absorb all that money. However, we think that civil society organisations bring an important piece to the puzzle, and we value increased collaboration with some of those partners. There are some really good examples of NGOs working with businesses and higher education institutions, for example.

We also work closely with southern NGOs. As Dr Mackie said, we would be looking not only to Scottish NGOs but to NGOs elsewhere. A lot of our work is about building local capacity for civil society. In the long run, Scotland might look at funding southern NGOs directly as it becomes a more mature donor. DFID does that; it welcomes applications from all over the world. I would therefore see global NGOs as a channel for Scottish money in the long run.

We encourage our members to look at how they can be much more collaborative and work with other players, bringing in civil society voice capacity, engaging local people and knowledge and engaging with women and excluded groups in society. That is the part to which we add value, and it is an important part of the picture. We hope that it will continue to be a part of Scotland's aid programme.

The Convener: I propose to our guests that we continue the meeting until about 10.45. I know that we said that the session would be 10 to 10.30, but there are a lot of really good conversations going on around the table, so if our witnesses are comfortable with this, we will carry on until 10.45.

David Fish: It will take time for the Scottish Government to get to the 0.7 per cent spending target; it took DFID 50 years to get to that point. You will only be able to spend that money initially if you do a lot of the things that James Mackie says, and work through some others.

You will find that Scottish NGOs will grow as the programme grows. They will not deliver programmes in country because those days have largely gone and the NGOs work in partnership with local institutions. In a lot of ways, that is the civil society future.

One of the interesting things that we do a lot of now is trying to get civil society organisations in country to hold their Governments to account for their performance. Of course they do health and education and all the worthy things. I mention Syria because I was in the House of Commons talking about that earlier this week. There are big

problems there with the use of Government funds, diamonds, money, corruption, and everything else, but there is also the beginning of some really interesting work by civil society to hold the Government to account for its expenditure—both how the money is allocated and what impact it has on where it is allocated. I would therefore not put too much emphasis on the NGO element. Quite clearly, NGOs cannot spend anything approaching £1 billion.

You have probably gathered that I am English, but my kids, my wife, and my dog are Scottish, so I feel at home here. Future economics are uncertain, depending on which publication you read or which politician you listen to. The commitment to spend 0.7 per cent of GNI in the face of that uncertainty is incredibly brave, but my advice is that you should not necessarily think that you are going to spend that 0.7 per cent in year 1 unless you give it all to the World Bank, the EU and the African Development Bank. There are some tricky decisions to be made in the middle of all that.

Colin Cameron: I agree that, on independence, Scotland's aid budget will be spread further than just the NGOs. However, it is fair to say that the NGOs in Scotland have a lot of spare capacity that can be used.

We must look at going to the bigger agencies with some caution if Scotland is to take an independent look at the situation. We must look at the accounts of those big aid agencies and ask how much of their money is spent internally in Scotland or Britain on their internal expenses and their running.

If we deal with the smaller NGOs and make the application process more straightforward for them, more NGOs in Scotland will be willing to apply, with very useful projects. I am not saying that we should not go to bigger NGOs for other projects. However, we are concerned about issues such as the amount of travel that takes place, with people going business class when we are dealing with aid. That should be a non-starter. I use that just as an example.

If we are going to use the bigger agencies, they must work within certain parameters that the Scottish Government sets out, so that they function in the way that Scotland wants, and not in the way that they perhaps would like to do it and have been in the habit of doing it. There is a lot of scope for that. Small is beautiful at times, but bigger projects will be needed, although there must be scrutiny of the track records of the bigger agencies that we want to use. There is a lot of spare capacity in Scotland that we should consider before we talk about going to Denmark or other countries, although that is fair enough. There are organisations throughout Scotland that are able and willing to participate. The Scottish Government should consider that and try to facilitate their doing so, in the interests of the donee.

Dr Homans: I thank Colin Cameron for reinforcing the call for perhaps a code of conduct across all agencies that work in development. I agree entirely that it should apply to business, NGOs and anyone who is working in development.

We should think about being more responsive. It is critical that, rather than sitting in Scotland saying what we think we should do, we should respond to the needs of countries. There are country co-operation agreements, which have involved Governments and others sitting round a table agreeing what is good for a country. We should then respond to that. There are examples of basket funding, which is when many countries put money into a basket and do not necessarily know where it is going. For some countries, that is problematic, because they like to have their emblem on a particular project. I think that, if we know that the Governments that we are working with are accountable and have certain measures in place, it is much more adventurous and worthy to start a more equal partnership in which we respond to what countries say they need. That is critical. However, it requires all those measures of accountability and transparency, and we have to do a lot of work on that, because that is one of the missing pieces at present.

Another thing that can be called for, and which some countries are doing, is to have in-country budgets not only for gender spending but for spending on civil society. We should push for that so that Governments build up the capacity in their civil society networks. As has been said, civil society is often the monitor of how money is being spent and of accountability.

Roderick Campbell: I have a couple of points. Why did it take 43 years to meet the commitment to spend 0.7 per cent of GNI on aid? What can be learned from international experience and what can Scotland learn from that?

A wee bit earlier, we touched on gender equality, which is a millennium goal and which the Scottish Government wants to put at the forefront of its plans. Dr Thin mentioned that there should be a more nuanced approach to that, but I ask him to develop that further.

I ask Dr Thin to go first, and then we can come back to the 0.7 per cent issue.

Dr Thin: That is fine. Many of us at the University of Edinburgh have worked under a strong and widely understood gender equality rubric. It is a bit like the do-no-harm proposition: it does not make philosophical sense because, if you push it too hard, people do not understand

what it could possibly mean in practice. Therefore, gender justice and equity in specific sectors work better as procedures and rubrics.

10:30

On the querying of gender equality as a utopian, giant overarching goal, if you are to bring the Scottish public behind a big ambitious programme, you need overall objectives and goals that are ambitious, energising and inspiring. Gender justice could form such a goal, but if you leave it as an unexplained principle, you would have to work an awful lot harder to explain to people in practice what changes you would bring about. The millennium development goals worked very well because they specified, for a global public, what was achievable under the objectives.

Dr Mackie: I do not think that we want to go into the whole history of why it took so long to meet the 0.7 per cent commitment, but it relates to international relations, the cold war and disillusionment with aid. The rise of international security concerns pushed European Governments to realise that it was important to make much bigger developments efforts. The arrival of the MDGs meant a set of international goals existed that people could rally round, so it made sense to have money to do that. However, we need to get into context the fact that the international development needs are much greater. In particular, when you factor in climate change issues, we are talking about much larger sums of money and 0.7 per cent of GNI will not get us there.

We need to keep it in mind that ODA is only a small fraction of the major flows of international finance. For example, remittances outweigh development corporation funds by three to one. Therefore, you could ensure that Scottish banks transfer remittances safely and at low cost. On international financial flows, Dr Homans mentioned the codes of conduct for investment; on the importance of the international illicit financial flows, Gillian Wilson referred to the need for coherence on those areas.

There are a lot of areas that come under development finance. A very interesting debate is going on at the UN level. Parallel to defining what are the post-2015 goals is how we are going to pay for them. Aid is special because fewer strings are attached to it. If you pass that over to Governments or beneficiaries on the ground, they have a say on how they use it and they have much more control over it, which is important.

Other than finance, the debate in the UN is about what the other important means of implementation are. That takes us back to the point about policy coherence. There are all sorts of policies that can reduce the need for finance. On drugs as aid, for example, as long as pharmaceutical companies wanted to sell the drugs at a profit, the costs were exorbitant and you could not afford to have those drugs on the market. However, once you reach agreement that the drugs can be sold at a lower price, suddenly it becomes affordable to spread them across Africa.

Aid is vital. We will never get rid of aid, so I disagree with Gillian Wilson on that point. It is one of the only mechanisms that we have for the international redistribution of funds that is in the hands of Government. We will probably always want that. Aid may not be reduced down to individual projects and programmes; rather, we may talk much more at the public goods level and Governments will still need to support that. There will always be that need for financial contributions to be made to an international public good. I see that continuing. If we can surround it with coherent policies that are conducive to development, if we can design our fisheries policy so that it does not impinge on African fishing grounds, and if we can design our trade policy so that it does not undercut local markets, and so on, we can reduce the need for aid and promote development.

Gillian Wilson: I want to come back in on two points. Colin Cameron made a point about large NGOs, and I also want to mention effectiveness.

NGOs along with other players absolutely ought to be accountable. One of NIDOS's big programmes is an effectiveness programme. The Scottish Government has funded us to develop a toolkit that reviews how our members operate philosophically and how they use resources, and we are actively engaging our members in its use. We are increasingly getting engagement from our members to be self-reflective and self-critical. That is important for us as well as for other players.

However, I am a bit concerned that people have a blanket idea that big organisations waste money. Some large organisations do spend money inefficiently, but some use money that might be seen as not going into the field for vital issues such as campaigning and global policy development. It is vital that Scotland has a diverse international NGO sector that has large, medium-sized and small players doing all sorts of different things.

For example, members might have heard about last year's enough food for everyone if campaign, which looked at the issues of good security, land grabbing, and tax evasion, and showed how the world has plenty food but people are not accessing it. We need some players to be spending publicly donated and campaign money from whoever will give it to us to push some of those issues. Large organisations are sometimes misrepresented by people saying that large sums

of money are wasted in the UK. That money is often invested in changing public attitudes and proposing constructive policies. Whenever people refer to large organisations generally as being wasteful of money, it is unhelpful.

It is good for people to be critical of specific areas where money is wasted, and our sector will put its hands up and say that resources have been misused, as they have been by bilateral agencies, the UN, Government, businesses, and so on. Effectiveness is important.

We welcome the Scottish Government supporting the development of a diverse NGO sector in Scotland. The Scotland Malawi Partnership and NIDOS have lobbied actively for a small grants programme under the international development fund for a number of years. We were happy to have seen the first year of a three-year pilot running in the past year. The way to go is to have a diverse aid programme that supports the diversity of NGOs, and builds the capacity of smaller organisations so that they can grow and absorb some of the capacity of an increased aid programme, if that is what happens, and can do that much better while being more collaborative.

I also wanted to talk about the 0.7 per cent commitment and how we use aid. Our sector is clear in saying that we do not agree with tied aid and the way in which aid might creep into the military spend. However well intentioned the military might be, it has conflicts of interest when it comes to developing relationships with aid programmes. It does not have a lot of experience, and the aid that it delivers is often not of good quality, so it is important that the Scottish Government keeps ODA within its bounds and does not use aid to support domestic business growth. We should be giving aid in alignment with what local people and Governments need and want. We should be driven by their priorities, not by what is good for Scottish business.

Policy coherence gives that opportunity for Scottish business to add its value to good in the world, and to add value to other countries' economies, and it will be interesting to develop that wider picture in future. However, aid itself should not be used for military purposes or for pursuing Scottish commercial interests.

Dr Anderson: On the question of gender inequality, Humza Yousaf, the Minister for External Affairs and International Development, initiated the Pakistan Scottish scholarship scheme for women. The British Council in Pakistan is managing the scheme, which is funded by the Scottish Government and is promoting women's access to higher education. So far, 70 women have been awarded scholarships for two years of study across 25 higher education institutions in the areas of education, food security, agriculture and sustainable energy. There has been a focus on women from rural areas and underprivileged urban areas who have some social disadvantage and financial need but show academic promise. That scheme is going well.

Hanzala Malik: Code of conduct, international aid and overseas development are all fancy words, but they all refer to the same thing, which is how we support human beings across the world. That is really the bottom line. However, the most important and fundamental issues are where the money ends up and what percentage of it ends up at the coal face. We have heard outrageous stories about, for example, people using charity money to travel first class and stay in five-star hotels. That is a crucial point to make, but one needs to be a bit careful about starting to dictate whether a country's armed forces can use any of that money, because some countries are on a knife edge in terms of security. Further, the security aspects affect not only the countries concerned but, indirectly, us. I think that we sometimes need to be a bit more guarded about being prescriptive about aid for countries whose security services might use some of it indirectly.

Historically, we in the UK have been guilty of propping up Governments that have not been democratically elected. I would not want to see Scotland repeating that kind of action. It is important that we support only Governments around the world that have been democratically elected. However, the issue of numbers is also important. We do not want to overstretch ourselves so that the aid becomes meaningless because it is so little.

One of the things that I am quite encouraged to hear today from my colleagues and the people round the table is that we seem to have learned enough lessons from history to allow us to improve on what we have historically done. I would like to see a reduction in the costs of administering any overseas budgets. It seems that, so far, the Scottish Government has not done a bad job on that, in that it has not been spending too much on directing how we use the funding. However, if there was an independent Scotland, we would have to revisit DFID and consider how we would deal with that element of the funding, because it is quite technical. Perhaps we would want to look again at the percentage or even realign where the aid is going.

I take the point that has been made about Malawi and other places. It is unhelpful if we stop funding midstream, because if we do that its effectiveness is lost. For example, if funding has established a hospital, a university or a college but we then pull the plug on the funding, that is quite cruel. It means not only that the recipient fails but

that we as the donor have failed in what we have tried to achieve.

There are challenges, but we seem to have learned a great deal historically and we can use that to our advantage. I have heard a lot of very positive things today and I hope that we can continue to build on them. Thank you very much for your insights and for sharing your experiences with me. I have picked up a lot from that.

10:45

David Fish: I want to make three quick points. First, the issue of running costs is important. I agree with Gillian Wilson; with regard to our scrutiny of the organisations that we work in partnership with, the world has moved on a lot. I spent my whole career travelling business class—as you can see, I am not built for economy—and when that changed I did not necessarily agree. You will be pleased to know that, in DFID, people now normally travel economy. It is important that, whatever you do and whoever you work through, you get a grip on their running costs, and that applies to international organisations in particular.

Secondly, the point that was made about the military is exactly right. I guarantee that, if you go to a refugee camp in Syria and ask the people there what they want, they will say, "I want to wake up in the morning." They do not necessarily say that they want health, education, water or whatever, although they do want those things. Peace and security are vital in a lot of the countries that we work in.

Clearly, we should not be putting aid money into buying weapons or other inappropriate things but, whether we like it or not, budget support is used to run the military in those countries. Interestingly, that gives us a legitimate voice in our discussions with Governments about the appropriate level of their military investment given the size of and the security situation in the country. We should never forget that that is a really important part of development.

My final point relates to the 0.7 per cent spend on international development. The brutal truth is that international development will not get you guys a lot of votes. I live in a small, well-to-do village in Lanarkshire where all the people are socially conscious and care about each other, but it is really difficult for me to persuade them that I use their taxes efficiently and effectively and get results. I can say this now that I am not there, but people in DFID will say that they have not been very good at getting their story out or at persuading people that the 0.7 per cent that they spend on their behalf is really making a difference.

As a result, I would urge Scotland to develop a programme to tell the people of Scotland what they are getting for their buck. In my experience, Scottish people are pretty caring and I know that, if we could tell them the stories that we have, people would say, "Well, that's all right, then." I do not think that the British aid programme has done enough of that, partly because it does not sell newspapers. Of course, it will never sell the *Daily Mail*, but it could well help to sell the *Daily Record* if it is presented in the right way. The point is that, if you are going to go to spending 0.7 per cent on international development, you are going to need public support, and the best way to get that is to get the story out there and do some of the development education that people have been talking about.

In 1978, when I was head of DFID's development education unit, we mounted a major programme in which we went into schools, including those in Scotland, and told kids about the third world and development issues. Members are probably not old enough to remember that, but the programme was hugely successful and there was massive take-up of it. Centres of development education started to spring up all over the place and we did quite a lot of work in secondary schools—we also went into primary schools—and some of the universities.

However, when the Tories came to power in 1979, they scrapped the programme because, by and large, they did not want a particularly strong voice in favour of development. Nevertheless, in the two years for which the development education programme really ran, it had an impact. I would certainly recommend that you consider introducing such a programme.

Colin Cameron: I am aware of the time, convener, so I will be brief.

I think that we are somewhat missing the point. Scotland is a country of principle, and the principle here is how, with independence, we will use the money that Scotland will allocate to international development and in whose hands our money is safer. We might have had the union since 1707, but it has never really been a full-blown union because certain things—education, the banks, the church or whatever—have been retained in Scotland. With devolution we received more powers, and indeed we will get more before 18 September.

My feeling is that, in order to get international aid fully into and safe in Scottish hands, we need to bring the yes and no sides—and perhaps their slogans—together. If the slogan was "Yes, through independence, we are better together", that would express our aim for Scotland and indeed the rest of Great Britain. The case is unanswerable; we all know that it makes sense, and it is the one way that we can identify that will ensure that Scotland's

aid will be in safe hands. That is, of course, a personal view.

Clare Adamson: Mr Fish commented that there are not many votes in international development, but that is not my experience as a politician, given Scotland's stance on the matter at church hustings and so on. According to the excellent work that is done by the Scotland Malawi Partnership, tens of thousands of people in Scotland are involved in raising money for Malawi, visiting schools all over Scotland and so on. We need only think of Mary's Meals and the young lady who blogged about her school dinners to see the incredible amount of interest that exists in Scotland in taking forward international development and being on the world stage on the issue.

The Convener: Finally, I call Willie Coffey.

Willie Coffey: Thanks very much, convener.

The Convener: I am sorry, Mr Coffey, but we have already stretched the extra time that we managed to secure for the discussion.

Willie Coffey: One of the disadvantages of sitting away down on the left-hand side is that you cannot attract the convener's attention.

As colleagues have made a number of the points that I wanted to make and given where we are in the discussion, I will make just three brief comments. First, I am pleased by the Scottish Government's commitment to enshrine the 0.7 per cent spend on international development in legislation. As members pointed out, it could have a value of around £1 billion a year. I certainly do not see any commitment from the UK Government to maintain that level of investment—indeed, someone said that it has just managed to reach that level after 40 or 50 years. If that is an example of leadership, I hope that it is not one that an independent Scotland will follow; I hope that we can reach that point much more quickly.

Secondly, I think that Mr Fish got the wrong end of the stick. This is not about bigness; it is about leadership, which can be adequately demonstrated by even the smallest countries, particularly in Europe. For example, Luxembourg lives up to its obligations and meets commitments commensurate to its size; in fact, its contribution exceeds the UK's.

There is no time left, convener, but I also wanted to open up a wee chat about the connection between aid, international development and the debt relief cycle and about how we might break that cycle. It seems to me—and, perhaps, to people on the outside—that we donate money through international commitments only to get it back in debt repayments. Dr Anderson said that Jamaica pays 50 cents in the dollar in debt, which is just ridiculous. Questions for a future discussion would be how we break that cycle, who should get together to examine issues such as debt relief, unfair debt and so on, what the practical impacts might be for countries that are suffering from that debt and how we might best advantage them to take their futures into their own hands.

The Convener: Does anyone have a quick comment on that point?

Dr Homans: I have a comment, convener, but it is not on that point.

The Convener: I am sorry, but we really are out of time. It would be great to spend much more time on the matter, but we have other items on our agenda and we need to deal with them. However, we will continue these one-off inquiries until the end of June, so if you feel that we have not covered anything that you were keen to discuss, please send us your comments. After all, every single piece of evidence that we get is valuable and relevant, and we might have missed a whole range of issues. I hope that we have not, and I think that we covered all the main points, but if you think that we missed anything that would help our deliberations, it would be helpful if you could let us know.

On behalf of the committee, I thank everyone for their participation and their very interesting and relevant evidence. We could have discussed the matter for hours, and we might have other opportunities to do so. We certainly look forward to working with all of you in the future.

I suspend the meeting for 10 minutes. I ask members to be back in their seats by 11.05.

10:55

Meeting suspended.

11:06

On resuming—

Brussels Bulletin

The Convener: Agenda item 2 is consideration of the "Brussels Bulletin", which members will have received in their papers. It is quite light because the European Parliament is in campaign mode. Do members have any comments or questions or seek any clarification?

Jamie McGrigor: On cross-border pensions, the bulletin says:

"Contrary to expectations, the proposal maintains the requirement that cross-border pensions be fully-funded at all times."

Were we not led to believe that something different was going to happen? If so, what are the reasons for that move?

The Convener: Interestingly, the draft suggested that there was going to be a change, but in the end it did not happen. We can seek clarification on that point and I will let the committee know when we get that information.

Jamie McGrigor: Thank you.

Roderick Campbell: I have just noticed that the section entitled "European Parliament update" states that there will be a

"Televised debate between European Commission President candidates nominated by EU-level political parties."

How will that be televised? Will it be on the BBC, or will we have to watch it on the internet?

The Convener: We can certainly find out the details and ensure that you get them.

Do members have any other questions? I see Willie Coffey—not waving, but drowning.

Willie Coffey: I am not sitting here again, convener.

Page 5 of the bulletin mentions a €22 billion innovation investment package covering a number of areas, one of which is medicines. I raise the issue because of last night's multiple sclerosis event. I and, I am sure, other members regularly hear about the availability of medicines in the different jurisdictions of which Scotland is one, and there are quite a variety of approaches to the licensing of medicines in different countries.

Does anyone know whether any thinking is taking place in Europe on how the situation might be standardised to ensure that people throughout Europe have the same access to the licensed and approved medicines that might be available? After all, we hear about people scanning the internet for this or that drug, which they can then buy online. That is probably not the best way of dealing with risk.

I thought that I would flag up what is a really important topic for people out there. If the European Union is doing something about it, it might be worth our while to pick the issue up at a future date.

The Convener: That is a valuable point. The committee has carried out work on cross-border healthcare, and the point that you raise would seem to be a logical extension to that. We will carry out some research and come back to you.

Willie Coffey: Thank you.

Alex Rowley: I apologise for being late in coming back, convener.

On cross-border pensions, the bulletin says:

"Contrary to expectations, the proposal maintains the requirement that cross-border pensions be fully-funded at all times."

Has the committee already done any work on that matter? Is it possible to get a more detailed brief on what that actually means? If, for example, Scotland were to become an independent state, what would such a move mean for people in Scotland who have those pensions?

The Convener: Jamie McGrigor beat you to the crunch on that.

Alex Rowley: Did he?

Jamie McGrigor: I asked exactly the same question.

The Convener: The clerks are going to do some research on it and get back to us.

Alex Rowley: Thank you.

The Convener: Are members happy to make the "Brussels Bulletin" available to other committees and to alert the Health and Sport Committee to the medicines issue?

Members *indicated agreement.*

The Convener: As agreed, we will move into private for item 3.

11:11

Meeting continued in private until 11:18.

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