

**Official Report** 

# EUROPEAN AND EXTERNAL RELATIONS COMMITTEE

Thursday 14 May 2015

Session 4

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# EUROPEAN AND EXTERNAL RELATIONS COMMITTEE 8<sup>th</sup> Meeting 2015, Session 4

# CONVENER

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

#### **DEPUTY CONVENER**

\*Hanzala Malik (Glasgow) (Lab)

#### **COMMITTEE MEMBERS**

\*Roderick Campbell (North East Fife) (SNP) \*Willie Coffey (Kilmarnock and Irvine Valley) (SNP) \*Adam Ingram (Carrick, Cumnock and Doon Valley) (SNP) \*Jamie McGrigor (Highlands and Islands) (Con) \*Anne McTaggart (Glasgow) (Lab)

#### \*attended

#### THE FOLLOWING ALSO PARTICIPATED:

Elaine Ballantyne (City of Edinburgh Council) Anil Gupta (Convention of Scottish Local Authorities) Fiona Hyslop (Cabinet Secretary for Culture, Europe and External Affairs) Malcolm Leitch (West of Scotland European Forum) Joanne Scobie (East of Scotland European Consortium) Gillian Walsh (Glasgow City Council)

#### **C**LERK TO THE COMMITTEE

Katy Orr

LOCATION The Robert Burns Room (CR1)

## **Scottish Parliament**

## European and External Relations Committee

Thursday 14 May 2015

[The Convener opened the meeting at 09:00]

## Scottish Government International Framework

**The Convener (Christina McKelvie):** Good morning and welcome to the eighth meeting of the European and External Relations Committee in 2015. I make the usual request that mobile phones be switched off or turned to silent.

We have a packed agenda this morning, so we will move swiftly on. The first item is to discuss the Scottish Government's international framework. I welcome Fiona Hyslop, the Cabinet Secretary for Culture, Europe and External Affairs; Colin Imrie, deputy director and head of European relations at the Scottish Government; and Ian Donaldson, deputy director, international division. Welcome back to the committee. We are looking forward to hearing from you this morning. I understand that the cabinet secretary has a short opening statement.

The Cabinet Secretary for Culture, Europe and External Affairs (Fiona Hyslop): Yes, I do, convener. Thank you for inviting me to speak to the committee this morning.

I know that over recent months the committee has been considering how the Scottish Government and its agencies engage internationally as the first strand of its connecting Scotland inquiry. I provided written evidence on behalf of the Scottish Government to outline our international engagement.

As I notified the committee, we published "Scotland's International Framework", "Scotland's International Policy Statement", and "Scotland's Action Plan for EU Engagement" at the end of March. At the heart of those documents is the commitment and belief that Scotland is an outward-looking nation and that the Scottish Government is committed to membership of the European Union. The documents set out the strategic framework and priorities for the Scottish Government, its agencies and public bodies, and the wider public sector going forward. They will guide our priorities for specific countries, regions and sectors and seek embed to internationalisation in all that we do.

I want to outline the context of, and background to, the publications. "Scotland's Economic Strategy", which was published at the beginning of March, sets out internationalisation as one of four interlinked priority areas that will help deliver the Government's central purpose of sustainable economic growth to enable all Scotland to flourish. That supports the aims and ambitions in the First Minister's programme for government.

Aligned to all of that, on 25 March we published the revised international framework, which for the first time, was accompanied by a ministerial policy statement. The policy statement sets out current Government policy priorities. We will update it as our priorities and the external environment change. The framework itself is high level and is a step change in how we collaborate to work together across the Government, public sector and third sector in support of our internationalisation agenda and our strategic international priorities.

The framework sets out our ambitions for Scotland, its people, businesses and institutions. There are four strategic international objectives, which are enhancing our global outlook; strengthening our relationships and partnerships; increasing our reputation and attractiveness; and engaging in the European Union.

Our internationalisation agenda must address two interlinked challenges. First, it must address capability at home, through helping our people, institutions and businesses better understand the international environment. We must support them in developing the skills that they need to engage, and to create and benefit from opportunities overseas. Secondly, we must support the development of relationships and partnerships outside Scotland to ensure that Scotland and our international partners flourish and that opportunities to influence global systems are maximised.

Shortly after the publication of "Scotland's International Framework", on 27 March, we published "Scotland's Action Plan for EU Engagement". That sets out how we will protect, strengthen and further enhance Scotland's place in Europe. Our objectives under the action plan flow from the international framework and are being a committed partner in Europe; promoting effective and meaningful reform in the EU; actively participating in the EU to secure investment, innovation and inclusive growth; and strengthening partnerships with European member states and regions. Securing more jobs, tackling inequality and creating wealth are at its heart. The action plan commits the Scottish Government to promoting the benefits of EU membership while encouraging EU reform within the terms of the existing EU treaties.

It is important to stress that, although it is aligned to Scotland's economic strategy, our international work is not only about economic gain. Scotland will continue to act as a good global citizen, promoting stability and equality and continuing our advocacy of human rights.

Over the coming months, we will publish refreshed country plans for India, Pakistan and the Americas. We will be developing an international trade and investment strategy and we will continue to look for ways to ensure that our international development programme maintains and intensifies its impact.

We are also reviewing how we engage with our diaspora, and the role of existing governmental and non-governmental networks in promoting Scotland. We are keen to broaden the notion of diaspora beyond the traditional sense to include those such as recent students with an affinity for and knowledge of contemporary Scotland.

We are looking beyond purely economic indicators of international reach to include greater emphasis on soft power and cultural diplomacy, and we wish Scotland's relationship with our diaspora to be a genuinely two-way relationship.

Finally, as I am sure that the committee is aware, the First Minister's programme for government included a commitment to develop international one Scotland partnerships and innovation and investment hubs over the coming year and years, and further detail will be made available as planning is taken forward with our stakeholders and partners.

As always, I will inform the committee as we publish further documents. I hope that these brief introductory remarks have been helpful in giving you some context and informing you of our prospects in relation to taking the international agenda forward. I look forward to answering your questions.

**The Convener:** That was a comprehensive statement. I have ticked off the first two questions that I was going to ask, because you have already answered them.

You mentioned the four priorities and then detailed the subsections of those priorities, talking about relationships and partnerships. Could you give us any practical examples of how that has been developed and where you have done some work on that? I know that you have recently done some work in the United States to build on and reinforce some partnerships there.

**Fiona Hyslop:** The one thing to make quite clear is the fact that the international framework was developed through a process of engagement with a range of people in Scotland. This is not a Scottish Government document; it is for the whole

of Scotland—business interests as well as other interests.

I can give you a practical example from the United States concerning our universities. Our universities are becoming more connectedindeed, connect Scotland is a programme that runs across all the universities, the Scottish Further and Higher Education Funding Council and other relevant agencies. The issue of how we can work to better co-ordinate that activity will be important in the future. As I am sure you saw in the US, convener, the extensive reach of people who are alumni of our universities is a great opportunity for us. Obviously, as individual institutions, universities might be quite protective of their alumni base, particularly in relation to fundraising activities, but they are now identifying the benefits of co-ordinating some of that activity and they have developed a Scottish alumni programme that runs across all the universities. That comes back to my point about the diaspora being not just people who were born in Scotland but those who live elsewhere. We now have a tremendous cohort of people who have had an amazing experience while studying in Scotland and have returned to their countries with knowledge and understanding of Scotland and a feeling of good will toward Scotland. That can be mobilised to help new businesses that are starting.

The one Scotland partnerships are not just about public agencies; we must identify how we can mobilise other interests. However, the first stage must involve better co-ordination of our public agencies in this country. Obviously, each one will be different—perhaps we will come to that—but we have to mobilise all the skills and talents in Scotland, and I think that education is one of them.

The Convener: I absolutely agree. I had the pleasure of attending an event in New York that was run by Glasgow Caledonian University and which was attended by alumni of nine Scottish universities and colleges who studied here and have subsequently gone to live in the States. It was a successful event. There is a lot of potential there.

You mentioned that building relationships and partnerships and building our international reputation was important for securing jobs. However, another key element is tackling inequality and promoting equality. Will you give your thoughts on the potential threat to the European convention on human rights or the Human Rights Act 1998 across the United Kingdom?

**Fiona Hyslop:** The Scottish Government is quite clear in its opposition to the proposal from the UK Government to abolish the Human Rights Act 1998. Our belief in the importance of human

rights is embedded in our activity and in our international positioning. Human rights are not just to do with international security and the rights of people across the globe. There is a very practical application that affects everyday life in relation to employment rights-people's terms and conditions of employment and how those operate. The act is also about a sense of justice and of the type of country that we are. Human rights have been international development central to our framework, for example, and are also part of how we approach our different country plans. There is a respect for Scotland and its approach and that has a value that could quite easily be diminished by the proposal from the UK Government to march this country out of the human rights agenda.

**The Convener:** Thank you, cabinet secretary. Jamie McGrigor, do you have a supplementary question on that point?

Jamie McGrigor (Highlands and Islands) (Con): Could the cabinet secretary elaborate on the reforms that the Scottish Government would like to see in the EU?

**Fiona Hyslop:** We prepared and published "Scotland's Agenda for EU Reform" some time ago and sent it to the committee. We have been very active and responsible participants in looking at the previous UK Government's "Review of the Balance of Competences between the United Kingdom and the European Union". By and large, our findings, which were very similar to those of the UK, were that the balance of competences between the EU and the UK was fair and proportionate.

However, there are issues that need reform, particularly in relation to a greater focus on providing jobs and services, which regulations must meet. We should improve subsidiarity in relation to decision making where we can and where it is practicable. In some areas, competences are clearly cross-border-the environment was a very clear one where competences made sense. In terms of decision making, we think that there are practical things that can be done and I would be happy to send the Scottish Government's plans for EU reform to you again and refresh the committee on our thinking in that area.

**The Convener:** You have that document among the papers for today, Mr McGrigor.

Jamie McGrigor: I know. It is also one of our questions for today.

The Convener: Okay, I will come back to you on that.

Willie Coffey (Kilmarnock and Irvine Valley) (SNP): Good morning, cabinet secretary. Yesterday, the First Minister said that Scotland's relationship with the UK cannot possibly be the same as before the events of last week and the general election. Do you see an opportunity to review and refresh our action plan for EU engagement and our international framework in that context to gain greater influence for Scotland within the EU and beyond? Do you look at our plans and see an opportunity there to strengthen Scotland's position in Europe and the world?

**Fiona Hyslop:** The plans set out what we want to do, such as our ambitions for the economy and influencing decision making. The opportunity that the results of the recent UK general election provide us with is to consider how we do that. The Smith commission proposals are very basic and cursory in this area. There has to be a respect agenda that acknowledges the strength of Scottish feeling about the importance of enhanced powers and enhanced influence.

Having the Scottish voice heard at Westminster is not just about Westminster itself; it is also about being heard in Europe. Richard Lochhead, the Cabinet Secretary for Rural Affairs, Food and Environment, was in Europe again on 11 May arguing the Scottish Government's position. We are very aware that, within the current operation of the UK Government, when we go to Europe—and I am due to be at council to discuss audiovisual matters on 19 May—our position has to be agreed with the UK Government.

There is absolutely no reason why we cannot lead a UK delegation where we have experience, positions and priority interests in particular areas. Examples would be the environment council, some of the energy issues, and other issues that members have been interested in. That position is now unquestionable, and it would be folly indeed for the UK Government to deny Scotland's voice being heard, not just in Westminster but in Brussels.

#### 09:15

Willie Coffey: Issues that have come up in the committee during the period in which I have been a member include fishing negotiations, common agricultural policy reform and post-study work visas, the last of which has been of interest to Scottish members in particular. However, on the issue of branding Scotland internationally, which sometimes happens through the doors and under the auspices of UK agencies abroad, do you see any chances to develop those opportunities for Scotland and get a wee bit better at branding Scotland internationally?

**Fiona Hyslop:** Absolutely. In fact, that is what the one Scotland partnerships and the innovation and investment hubs are seeking to do. As far as promoting the country is concerned, I should say that we punch way above our weight in the influence that we have. As we have previously discussed, the fantastic year that we had in 2014 has given us an enormous platform, and the past week's electoral experience has drawn great attention to Scotland. We have strengths in, for example, our universities, and I have already mentioned our investment in innovation. In certain areas, we are world leaders, and it is important that we brand that work.

I have been very interested in and have been monitoring the committee's work on what is happening in other nations and regions, and I feel that there is a great deal more that we can do in that area. It would be foolish of the UK Government not to recognise the calling-card strengths of the Scottish brand, but we must ensure that we mobilise all our resources. Until such time as we have full control of the resources that we might need in that respect, we will work constructively and in partnership with our UK colleagues in the Foreign and Commonwealth Office, UK Trade & Investment or whoever.

Willie Coffey: Finally, I want to take a more local look at what is happening in Scotland. Later on, we are going to hear from someone from the west of Scotland European forum. How are our national action plans and strategies for Scotland impacting on those kinds of local organisations, and how would, say, the west of Scotland European forum develop things and work with the Scottish Government to take forward the agenda at a local level?

**Fiona Hyslop:** My colleagues will let me know whether they were involved in some practical way in the framework's development, but part of our aim was to produce a strategic document that would allow everyone across Scotland who was outward-facing—the partnership that you mentioned or other agencies—to see that we were all pulling in the same direction.

Another issue is the networking that we can do within that. There is always more to do in that respect, whether we are talking about public agencies working in the international space or whatever. An important point that is identified in the international framework is that, as part of our internationalisation agenda, we need to get equipped at a domestic level in order to work better together and we need to create not just the appetite but the networks at home as well as abroad. That is where I think the focus on everyone's expectations has certain strengths that will make a big difference.

Willie Coffey: Thank you for that.

Jamie McGrigor: The Flemish Government says that it uses something called the Flanders model, in which all the different aspects are brought together in one office. Has the Scottish Government given any thought to adopting the Flanders house model to ensure that the international, political, economic and cultural interests in each location are linked and located in one building?

**Fiona Hyslop:** We are very interested in what is happening in Flanders; in fact, I have met Minister-President Bourgeois in recent months. I think that the Flanders example is interesting in many different ways, not least because of the five-tier system of constitutional responsibilities for the country's different state aspects.

As for the Flanders house or one house idea, we already bring together the different cultural, economic, political and governmental aspects in our presence in Brussels, but the challenge that we now face is how we can do that better. Our Toronto office is a bit more mixed with Scottish Development Government and International presence, and I am keen to have more co-ordination and to bring together the activities of all the different public agencies. Of course, the approach will be different in different countries, because we might have more of a cultural focus in one, more of an economic focus in another and more of a governmental focus in yet another. Given that we are about to go into a spending review, such a mass physical change in our offices will be a challenge.

The one Scotland partnerships that we want to evolve will do exactly what you are saying improve the way we bring together different agencies. It will not necessarily be wholesale—we want to identify particular places where we can do that sooner rather than later. I think that there is a great benefit to be had from that. It will involve some adjustment and change for the agencies, but it is an interesting model and one that we have looked at.

Jamie McGrigor: The Scotch Whisky Association has suggested that

"More could be done to ensure SDI has an appropriate, well-resourced presence in new emerging markets".

It says that it welcomes the fact that that is starting to happen, particularly in places such as sub-Saharan Africa and Central and South America. Is that happening? What is the geographic extent of your intention for SDI to be able to help groups such as the Scotch whisky industry, which is obviously something that everybody recognises as Scottish and which is very important to Scotland?

**Fiona Hyslop:** There are different aspects to that question. For one thing, when we are refreshing our Americas plan, it is to make it just that—an Americas plan. It will bring in emerging areas in Central and South America and not just cover North America—the US and Canada. That

gives an indication of the Government's thinking behind the refresh of these plans.

In relation to SDI, I would cross-refer this committee to the other committee of the Parliament that is looking at this area. I think that it was only yesterday that the Economy, Energy and Tourism Committee published its plans, which contain the detail that you are looking for and which might be helpful for you to look at.

In answer to your question about geographic extent, I note that SDI has opened up offices in Brazil, Ghana and Nigeria, as I understand, as part of the development into parts of Africa and also into Central and South America.

In relation to our energy interests, as an example, the President of Mexico and umpteen different ministers came to the UK and specifically wanted to have an event in Aberdeen in order to meet people from the oil industry there—not just the producers but people from the oil services industry. SDI was very much involved in that event, and I met the ministers as part of the Scottish Government's reception for them during the event. Those are practical examples of how we are extending our contacts.

The Scotch whisky industry is well financed, although it has faced some challenges regarding export figures in recent times, but the big challenge for internationalisation is not so much the large companies that have successfully promoted themselves; it is the smaller companies.

The Economy, Energy and Tourism Committee has been looking at this as well. We need to increase the capacity for smaller companies that have not exported—this is what the capability at home issue is. Companies that are involved in the export market are more likely to innovate, and innovation is likely to be a success factor for sustainability. SDI helps not just the Scotch Whisky Association to promote its activity overseas, but smaller companies as well.

Jamie McGrigor: Thank you. I have another question, but I can come back in later.

**The Convener:** Thank you, Jamie. Hanzala Malik has a supplementary question.

Hanzala Malik (Glasgow) (Lab): Cabinet secretary, you mentioned that you are refreshing the areas that are represented in the Americas plan, but I have a more general question. We have offices or representation in various countries dotted around the world. At the moment they are primarily based where we are trading, but we do not have deep cultural links in some of those places. Are we intending to develop such links? Also, are we exploring new sites where we want to have representation? Could you shed some light on that? **Fiona Hyslop:** In our economic interests, we are constantly refreshing where we need to be and our locations. I have just given a couple of examples of that in my answer to Jamie McGrigor.

As you will appreciate, my responsibilities are for culture, Europe and external affairs. In relation to our cultural reach, I feel very strongly that, whether we use soft power or cultural diplomacy, the reach and range of what we can do in terms of understanding is very important indeed. In recent weeks, Humza Yousaf has been developing cultural connections in the gulf states, for example. In the United States, we have a greatly expanding range of reach.

The reach is there; the issue is whether we need a physical location in order to use it. When the National Theatre of Scotland's fantastic production of "Dunsinane" toured, our American office held events surrounding its activity in Chicago. It is about to do the same for the Scottish Ballet's US tour of "A Streetcar Named Desire" and "Highland Fling".

The question is whether we have a physical place or make the most of international touring. Despite the difficulties that will be caused by severe pressure on future budgets, we need to maintain international touring because we need to make sure that we have that reach and range, and it helps in a number of areas. Top-quality cultural experiences have an impact.

It is also about exchange. For example, one of our final Scottish Ten is the Nagasaki crane in Japan. We have had tremendous feedback that offering Scottish cutting-edge technology in the digital sphere along with understanding and respecting the industrial heritage of our own and other countries has an important impact and range. Indeed, at the Ryder cup I discussed the Nagasaki crane with representatives of Mitsubishi, which is a major investor in Scotland. They were very appreciative of the work that the Scottish Government had been doing.

Hanzala Malik: One thing that I have picked up from previous evidence is that some regional Governments in Europe have international connections of their own outwith those of their national Governments. Will we learn lessons from them and have such representation, perhaps even in partnership in areas where there is already a British presence? Will the Scottish Government look at replicating that approach to enhance opportunities for better trade and cultural links?

**Fiona Hyslop:** We are certainly doing that in different areas. I will give you two examples.

We have had about nine two-way ministerial visits with Ireland since last autumn. There may be opportunities there to explore the wider

international reach and what we might do to help promote common interests.

Procurement was quite interesting. I have spoken to companies that have worked in procurement across Europe about partnering Scottish and Irish energy firms; the expertise of one complements the other. That is a practical example of what we can do and how we are trying to enhance opportunities. That is why we have had Irish trade ministers here, and I have been in Dublin.

The other example shows that we actually lead quite a lot of this activity within Europe. The committee might like to have a briefing on the vanguard initiative, which is probably more familiar to the Economy, Energy and Tourism Committee. It brings together high-growth regions in Europe my colleagues will remind me of the numbers involved in the different regions—that exchange and drive agendas.

It is quite an interesting perspective. I met a number of representatives in March when there was a major vanguard initiative meeting here. I spoke to the deputy mayor of Tampere, Finland, where entrepreneurialism and enterprise are very strong. Those representatives want to work with people whom they see as like-minded as well as alike in experience to grow the Europe-wide economy. When I talked to European Commission officials, it was interesting to find that they recognise that resourcing and supporting nations or regions can be more effective in making better use of the economic value of the money that comes from Europe to drive particular projects,

Within the vanguard initiative, Scotland is perceived as a leader in that area. The places that are involved in it include—I think—Milan, south Denmark, Baden-Württemberg, Saxony, Silesia and Catalonia. We can provide you with a list of all the areas.

#### 09:30

Hanzala Malik: Are we hoping to enhance that number? If so, what are the possibilities?

**Fiona Hyslop:** I am not sure that it would be up to us to enhance it. People want to have partnerships with areas that they recognise as key and strong economic drivers. If you broaden such things to include everybody, you might have to move at the speed of the slowest ship in the convoy. You want the powerhouse motors of economic growth to be powering ahead and you want to share that experience. Members of the vanguard initiative group have been selected because they can drive it forward. I assure you that, from the discussions that I had in March, I know that we are recognised as being a key driver. Adam Ingram (Carrick, Cumnock and Doon Valley) (SNP): Good morning, cabinet secretary. The international framework states:

"We will seek to influence the external environment and communicate our shared interests through engagement in multilateral forums such as the European Union and the United Nations."

How will we go about doing that, given that we are a sub-state Government? In particular, how will we do that in the context of the big show that is coming up: the UK's in/out referendum on Europe? The Scottish Government has a particular viewpoint on the referendum and there will be negotiations between the UK Government and the EU. Do you see the Scottish Government as a player in those negotiations?

**Fiona Hyslop:** On that second point, we did not wait until we knew whether there would be a Conservative Government or, indeed, an in/out referendum before arguing the case for the importance of continued membership of the EU. We have been arguing that point domestically and making sure that our colleagues in Europe and internationally know about it. As you might be aware, prior to the results of the Westminster election, we produced a document called "The Benefits of Scotland's EU Membership". The election result makes the issue more acute, as clearly there will now be an in/out referendum.

We will strongly argue the case for Scotland's outward-looking self-interest and the need for connections with Europe for jobs and our economy. It is also important to argue the case for Europe in relation to peaceful co-operation. I have just been talking about the opportunities for economic growth. We would not be able to have all the partnerships that I have just been talking about, such as the vanguard initiative, if we did not participate so fully in the EU. We need to bring the argument back to jobs, services and the protection of basic human rights, which are as much to do with employment as the rights of those who are seeking help internationally. That is essential.

The UK Government has already conceded and acknowledged the importance of the Scottish voice in relation to EU reform. That is why it invited us to take part in the balance of competencies review, in which we have participated constructively to provide evidence for what we think can be improved and what should remain the same.

The UK Government's ambitions for treaty change and its ability to achieve that will be under great scrutiny. It will be very challenging. We must have a role and a voice in what happens in those discussions, not just internally in the UK, but directly in the EU, so that our voice and interests as a devolved Government can be heard in Brussels. We want to ensure that that can happen. That is not something that is about to happen; it is a position that we have already been discussing with all the international visitors that the Government has had in this city since the referendum, for example, and in my international visits, which I will continue.

On international institutions, the United Nations will also be an important aspect of our involvement, much of which will be on a practical, basis. For example, Scotland will continue to be recognised as a world leader in the area of climate change and we will position ourselves as such. We will continue to take opportunities to influence UN forums, and we have already been recognised at UN level for that activity.

Adam Ingram: Yes, it is well recognised that Scotland has a distinct stance regarding its relationship with the EU, not least as a consequence of the First Minister's statements during the recent general election campaign about what would happen if Scotland supported continued membership of the EU and the rest of the UK, particularly England, voted to get out. That has clearly been established among our various partners in Europe. I heard Mario Monti being interviewed on "Newsnight" during the week. He emphasised that point, and it seems to me that Scotland's stance on the matter will influence the negotiations between the UK Government and the European Union. Should those circumstances not give us a wee bit more leverage with the UK Government and indeed the EU? Is that something that you are aware of?

**Fiona Hyslop:** As I have made clear, we have been arguing the Scottish Government's position on EU membership for some time. We did not wait to find out whether there will be a referendum. The merits of Europe have to be argued on their own points. That has the impact that you have referred to: people are quite aware of our position and it might well have a bearing and an impact.

It is critical to point out that the proposal for a double lock-the idea of a double majority-is familiar to other countries. Should the referendum result one constituent part of the UK voting to leave the EU but not Scotland, Wales or Northern Ireland, that should not allow the UK to leave. The point that the UK should not leave if the people in one of its constituent parts say that they wish to stay is not unusual in constitutional politics. I am thinking of other areas and countries such as Australia and Canada, and even the United States, given some of the constitutional issues in relation to its construct. The UK will have to decide whether it wants to remain a country that has constituent and respected parts with equal membership, or whether it wants to railroad people against their will.

The case for membership still has to be argued and won in relation to what the public thinks, but we will continue to advocate and articulate the self-interest of many people in this country and the common interest of European membership, not just in the United Kingdom but internationally.

Adam Ingram: So the Scottish Government will be heavily engaged with the UK Government on that particular point.

**Fiona Hyslop:** We already have been in many different ways. I have yet to have a conversation with either Philip Hammond or David Lidington, who are continuing in their posts under the new Government, but the position has changed. Previously, it was not the UK Government's position to have a referendum, because one partner in the coalition did not want to have it. It is now a majority Conservative Government, which puts things in a different light, but I look forward to having constructive dialogue and discussions with Philip Hammond and David Lidington.

Anne McTaggart (Glasgow) (Lab): Good morning, cabinet secretary and panel members. Given what you have said and what you have set out in the international strategy about what you are aiming to achieve, can you tell us how you will assess your progress on that?

**Fiona Hyslop:** The Government has established an assessment programme—the national performance framework—to which we contribute, as does all of Government. That is where measurement can be effected and the economic and other impacts can be identified.

The biggest challenge for the international framework lies in judging intergovernmental success and cultural soft-power diplomacy. That is far more difficult to do. I noted some of the evidence that you have received from other substates on that. That is more of a challenge.

It is clear that there is an opportunity to bring about an economic impact. Interestingly, the export figures are particularly important—there has been a 40 per cent increase over the past six years. The big challenge lies in increasing the number of companies that are supported in their export activity. That number has significantly grown in recent years, but we will be considering that point.

The issue is not just about inward jobs or the investment and jobs that are created as a result of other companies and countries investing in Scotland, although that is still important and Scotland is still performing extremely well in that regard. Outside London, Scotland is still the best in the UK at attracting inward investment and jobs.

As I explained to Jamie McGrigor, there has been a change in focus on the internationalisation

of smaller companies in Scotland that have not yet engaged in the export market, and I think that that will be a big test of our proposals. We are on the right trajectory—we are improving significantly but, for the country, that will be one of the big ways of measuring the success of what we are doing. That is only the economic aspect, however. As I said, the international framework covers intergovernmental, political and cultural aspects, too.

**Anne McTaggart:** You mentioned smaller businesses. What kind of support are we giving those businesses to branch out and reach out to other countries?

**Fiona Hyslop:** A lot of that involves the advice on entry markets that can be provided here. I refer to the inquiry that the Economy, Energy and Tourism Committee has just conducted—that is an area on which it is probably best placed to comment. Companies that come through business gateway, for example, can be identified as potentially having export opportunities, and they are contacted by SDI. Briefings can be given, and there can be cross-sector international trade missions. There can be trade missions to countries for people who are interested in the areas concerned.

I can provide a more recent example. I know that the committee has taken an interest in Poland, and I spoke at an event with the ambassador for Poland. It was a business conference for people who were interested in exporting to Poland. Again, that is about building capacity here. A lot of it involves preparation and understanding how things work.

There are opportunities to put companies in touch with global Scots who are operating internationally in a given sector or geography, who can give advice. That is how it works. I recommend the work of the Economy, Energy and Tourism Committee, which has focused on those areas in its inquiry. That might help you to get an overview of what already happens.

We are trying to make things a bit more coordinated in country. There are two aspects to that. There are the one Scotland partnerships and there are the innovation and investment hubs, which are more for focusing on digital, food and drink or a particular area of expertise. They will be different for different sectors and different countries. That will not just be a Government initiative—many companies and, in particular, universities will have a key interest here.

Anne McTaggart: In your opening remarks, you mentioned the one Scotland partnerships. Is there a timeline for those to formally—

Fiona Hyslop: I would like to say yes, but we would have to proceed on a practical basis,

country by country and sector by sector. We want to make progress on the one Scotland partnerships in the very near future, but I would be a hostage to fortune were I to guarantee that we will have X, Y and Z by a certain time.

It is really important that the one Scotland partnerships bring together the different public agencies in a way that is appropriate for each country. Each country will be different. In some countries, governmental influence is verv important institutionally, and the status that comes from that will provide opportunities that otherwise would not be available. In other countries, that is less the case, and there will be a greater amplification of trade and SDI involvement. It will vary from country to country, and I do not want to give you a timescale that I cannot guarantee. However, I will ensure that John Swinney and I keep your committee and the Economy, Energy and Tourism Committee informed of progress.

Roderick Campbell (North East Fife) (SNP): Good morning, cabinet secretary. You have dealt with many of the points that I was going to raise, but I want to refer to a comment by the British Council on the international framework. It suggested that

"the Scottish Government's ability to achieve significant impact across the portfolio of actions encompassed by the International Framework is restricted"

because of the size of the budget, and that there is a danger of spreading limited resources "too thinly". Do you have a general comment to make on that?

#### 09:45

**Fiona Hyslop:** The British Council was involved in the development of the international framework and, obviously, we recognise it as a partner that we work extensively with. That is probably a request from it for more support for the things that it does, and I would not blame it for that.

There is a point about focusing on which countries to work with. We always have that issue. There can be a demand from parliamentarians who ask, "Why aren't you working in that country?" There can then be the response that we might be spreading the jam too thinly.

Culturally, we are doing very well. Our national companies have an international outlook, and I continue to support that. The James plays were extremely successful last year, and we hope that they will have an extended run. Members saw the National Theatre of Scotland's role with "Black Watch" previously. There is that kind of cultural activity.

There is also quite a good alignment in what we focus on. Let us take the example of Celtic

Connections, which takes place in Glasgow in January. It is very important for tourism in Scotland. It is very international and transatlantic, and different partners are picked at different times. There is the India connection, for example. I was in Rajasthan when we signed the agreement between the Rajasthan international folk festival and Celtic Connections. There has been a focus on India. There are focused years, and obviously there is quite a focus on Australia and New Zealand.

The British Council would acknowledge that it is important that we go with the partnerships and connections that already exist in artistic and cultural areas. As far as the idea that we can enforce a top-down approach and say where we will be and what we will do is concerned, much of what happens has to evolve from the sector itself. We have a very strong and vibrant artistic and cultural sector in Scotland.

On music in the US, we support on a strong basis South by Southwest, for example, and we are always looking for other opportunities. However, it is wise counsel to be careful that we do not do too much in too many areas. We should acknowledge our budget.

We must recognise that culture is very much a calling card for Scotland and its brand. That has been talked about. It is non-statutory in many regards, unlike service provision in other areas that the Parliament has an overview of, but it is very important to have a vibrant and healthy cultural sector.

I think that the British Council was warning that there are limits to what can be done within restricted budgets, but I would not like to see all our cultural activity being just domestic. It is important for cultural relations and soft-power diplomacy that we have exchanges and understanding. We cannot do business with a country that we do not understand, and we understand other countries through their culture and heritage.

**Roderick Campbell:** On a slightly different issue, "Scotland's International Framework" refers to the development of

"a Trade and Investment Strategy that sets out our approach to international trade and investment".

Will you develop that a wee bit more?

**Fiona Hyslop:** At the beginning, I tried to give members some context on how all those different aspects are interlinked in what we do as a Government. There is the programme for government, the economic strategy, which indicated that we would develop the international trade policy, the international framework and the European action plan. The next thing will be the international trade policy. They are all part of the suite of strategies and plans that we are taking forward. The international trade policy flows from the economic strategy. It should be borne in mind that we have just produced the economic strategy. A lot of that policy will be informed by how we do things in relation to the innovation and investment hubs, for example. As I explained to Anne McTaggart, that is in development.

**Roderick Campbell:** We are still not sure about the timetable for that. Are you not going to commit yourself to a timetable?

**Fiona Hyslop:** No, I am not, because I know that you will write to me and ask whether I have done it.

**The Convener:** Jamie McGrigor has a final question. I hope that it is quick, because we are up against a timescale.

Jamie McGrigor: On the cultural front and Scotland's international profile, we already have the reputation of having what is probably the best international festival in the world—the Edinburgh international festival. Could more be done to develop the visual arts scene, which is very strong in Glasgow in particular, by having an arts festival on the lines of the Venice biennale, for example? I am sure that that would be enormously successful in Scotland.

**Fiona Hyslop:** Glasgow has a very strong international arts festival, so I will ask the organisers to invite you to make sure that you see it.

Your point about whether we can make more of the visual arts scene is right.

Jamie McGrigor: That is what I feel.

**Fiona Hyslop:** It is a fair point. Having the Turner prize in Glasgow this year is a strong recognition of the contemporary art scene that we have not just in Glasgow but in Scotland as a whole.

We should remember that one of the biggest impacts that we had was from the "Generation" exhibition, which was in 60 or 70 locations in Scotland as part of the Commonwealth games cultural programme. It was a retrospective of 25 years of the country's contemporary art. Given the work that has come out of Scotland in the past 25 years, I am not sure that many other countries in the world would be able to produce an exhibition of such quality.

It is not just about heritage and our traditions; we have a reputation in contemporary visual art. I would like to see what we can do to take up your interest in promoting not only the international festivals that take place in Edinburgh but the profile of Glasgow and the rest of our arts scene. **The Convener:** We have Glasgow City Council's international officer on the next panel of witnesses, so perhaps that is a question for her.

Cabinet secretary, you and I were in the States for Scotland week. "Outlander" is huge there, which I did not expect it to be—I am on book 5; I am a total fan. Jamie McGrigor asked about the visual arts, but our film and screen industry seems to be gathering pace as well. Will you tell us about some of the advances that have been made in that?

Fiona Hvslop: Another committee is considering that issue. There are great opportunities, although there are undoubtedly challenges. It is not just about trying to secure a permanent studio. We have a temporary studio, which is filming "Outlander". The spend on "Outlander" represents the biggest inward investment that Scotland has seen in screen. The audience impact in the US is huge. The visitor numbers at Doune castle, which is Castle Leoch in the production, have increased substantially and there are tours in Fife and, indeed, my home town of Linlithgow because of Blackness castle and Linlithgow palace.

The knock-on impact of location is important. However, as I said in answer to a question in the chamber last week, it is not just a question of location. The other week, I met international film producers and studio representatives in Glasgow. The skill base that we have is strong and I want to ensure that those people can do work in Scotland rather than always having to leave to do it. That is one of our ambitions.

As I have discussed with Lionsgate, which produces "The Hunger Games" series as well as "Insurgent" and the other films in the "Divergent" series, the more we use Scottish locations, the greater the knock-on effect. For example, the Glencoe scene at the end of "Skyfall" had a big impact—people wanted to go and see that vast, atmospheric and amazing scenery in real life.

We have not talked much about our coordination with VisitScotland on the tourist side. Scotland is authentic in many ways, from the quality of its education and the integrity of its governance to its welcoming people and its built and natural heritage. Those are wonderful assets, but they also provide authentic experiences for people who come to see the country. In a globalised world and a world of film, in which people see things, they want to experience them as well. That gives us great opportunities for the future.

The Convener: Thank you very much for coming along to the committee. I am sure that we could have talked all morning, but we have

another panel of witnesses. I look forward to working with you again in the future.

I suspend the meeting briefly to allow for a changeover of witnesses.

09:53

Meeting suspended.

09:57

On resuming—

### **Connecting Scotland Inquiry**

**The Convener:** Good morning and welcome back to the European and External Relations Committee. Agenda item 2 is a continuation of our inquiry on connecting Scotland. I am delighted that we have a round table of guests with us this morning.

I welcome Elaine Ballantyne, the head of external relations and investor support, economic development, at City of Edinburgh Council; Anil Gupta, the chief officer for communities at the Convention of Scottish Local Authorities; Malcolm Leitch, the European officer for the west of Scotland European forum; Joanne Scobie, the European Union officer, policy and partnerships, for the east of Scotland European consortium; and Gillian Walsh, the international officer for Glasgow City Council. Jamie McGrigor, who is sitting next to you, Gillian, has lots of questions for you.

Thank you very much for your written evidence. We have received a huge amount of written evidence for the inquiry, which has been very helpful, and we have many questions. I hope that everyone understands the round-table format. Catch my eye if you want to speak and we will try to keep the conversation as free flowing as possible. I can the see the whites of everybody's eyes, so it will be easier for me to co-ordinate that.

I will start with an open question on the importance of international engagement to your organisations and, by extension, to Scotland.

#### 10:00

Elaine Ballantyne (City of Edinburgh Council): Good morning. City of Edinburgh Council has always taken a very international outlook. Even if we were not taking an international outlook, we would still receive many requests from international delegations, projects and interests. We have a very busy inward agenda.

The areas of work that we are involved in include international relations, projects and activities, which I outlined in my written submission. We are also very active on the EU side through networks such as Eurocities and the applications that we make for partnerships and European funding.

All the council departments have an element of international work, which varies according to resource and subject area. That is manifested most importantly in the number of international visits and delegations that they all receive. The gain is definitely in the exchange of international good practice. Services are open to international good practice and are very good at sharing examples of their own experience of service delivery.

Anil Gupta (Convention of Scottish Local Authorities): As you are probably aware, local government has a fairly significant role in the implementation of European legislation, particularly in the areas of transport and the environment but also in economic development and in various elements of infrastructure. As a result, local authorities generally are quite concerned about the extent of local discretion in how legislation is implemented and the need for flexibility to achieve the outcomes that the European Parliament wishes to see being delivered across countries affected by the treaty.

We are primarily involved in supporting elected representatives from local government in a variety of fora that operate in the European Union and on the European stage. We have four Committee of the Regions representatives alongside those from Scottish Parliament. We also have the representatives on the Congress of Local and Regional Authorities in the Council of Europe and we lobby reasonably actively on the legislative programmes of the European Union. The committee will be aware of the very extended timeframes, which allow us to consult our members through COSLA's governance structure. As part and parcel of that, we work quite closely with the senior officers of local authorities, who have more on-the-ground experience.

On a broader level, we have responsibilities for some work on matters such as the Covenant of Mayors, which is a network arrangement that responds to climate change issues. We are formally involved as part of the twinning arrangements within the Council of European Municipalities and Regions, which aims to improve and extend arrangements around international aid as well as more sisterly arrangements. We anticipate considerable work around the sustainable development goals into the future.

I will stop there, but I am sure that we will pick up some of those issues later on.

Malcolm Leitch (West of Scotland European Forum): Thank you, convener, for the invitation to submit written evidence and to come along and have a conversation with you and your colleagues this morning.

The west of Scotland European forum is a lean, mean organisation; we do not have vast resources. We try to encourage our member authorities to take a full interest in the range of European issues—we cover only European issues, not wider international issues—that affect how they deliver services to their communities.

We do not look just at funding, although that is important, especially as we have just gone through a process of redefining how European regional cohesion policy will be deployed in the 2014-20 period. That was a major item of work that we undertook collectively. We also look to stimulate involvement in some of the other EU funding programmes, many of which, as the committee will be aware, require transnational partners. We are thinking of some of the aspects of horizon 2020 and the European territorial co-operation programmes that are part-funded through the European regional development fund, and we are doing a range of things to try to stimulate and promote better and more informed participation in those programmes. We understand that it is not solely about funding but is also about policies and legislation originating from the EU, which, as Anil Gupta hinted, have direct impacts on how we arrange and deliver a number of public services.

Our role is to find a niche where there is a regional dimension that impacts on the west of Scotland. One portfolio that we have spent a lot of time on in the past couple of years is the regional aid guidelines that the European Commission has put in place for every policy and funding period. That is the background to the assisted areas review that has taken place over the past couple of years, and it impacts on the extent to which public authorities can support investment that will create jobs in our communities. We handled that important issue, which is not directly to do with EU funding but has had a big impact on what we can do to support sustainable growth and development in our part of Scotland.

Joanne Scobie (East of Scotland European Consortium): Thank you for the invitation to attend the committee and to submit written evidence. I also thank the committee for undertaking an inquiry on connecting Scotland. It has been useful for us to see what our colleagues across the country are doing in terms of twinning initiatives, funding and so on.

ESEC works on a policy and funding basis, so we try to identify a shared European agenda on policies that will have an impact on our local authorities. We also seek to work in partnerships on the transnational funding programmes, as there is a growing realisation of the importance of those programmes. There is a focus on the new Interreg programmes for which we are eligible, and the energy union that was proposed in February will have an impact on our members, so we are seeking to establish how we can shape and influence that policy and ensure that the voice of local authorities is heard. The renewables sector and the oil and gas sector on the east coast mean that energy is hugely important. We are also seeking to improve our team Scotland approach, so that it is not just individual local authorities or authorities on the east coast that are engaged. We are seeking to engage with our colleagues across the country to identify a shared agenda.

Gillian Walsh (Glasgow City Council): Glasgow City Council is committed to its international agenda and we have a fairly high number of inward delegations to the city. Our situation is similar to that of our colleagues in Edinburgh and, as Elaine Ballantyne suggested, the biggest outcome is the exchange of technical expertise and knowledge.

We also have an extensive twin city programme. Glasgow is twinned with eight cities and, at any given time, links with just over half of them are very active. We try hard to involve as many different sectors of the community as possible in the twin city programme. It is not about the traditional civic, ceremonial side of things. For example, in the past year we have had delegations from learning disabled groups and there have been sporting delegations and cultural and artistic exchanges. We try to involve as many different sectors of the community in Glasgow as we can in our twin city exchanges.

We have an extensive Commonwealth and international development programme that is just over 10 years old. Our primary focus has been on Malawi but we also have projects in South Africa. We are now trying hard to find projects for which we can attract more EU funding. We have lost quite a lot of our staff over the years due to restructuring within the council, so our team is very small. As you know, any application for EU funding is time consuming, but we are now looking more closely at getting such funding, because we have a very limited budget. We try hard to attract sponsorship or funding from other sources to improve our projects, but attracting EU funding is a big focus for us.

**The Convener:** The other day, I heard a radio report about Glasgow being commended for its attraction of international business and the impact that its approach has had, right down to taxi drivers knowing the venues, signposting and things like that. Is that a key element?

**Gillian Walsh:** Absolutely. We work closely with Glasgow City Marketing Bureau, which has had huge success in attracting conferences to the city over the years. That success is due partly to the fact that the bureau works in close partnership with a range of organisations in the city, of which the taxi drivers are a good example. When we held the Commonwealth games last summer, they were part of a huge team—from the volunteers right through to people serving in shops—that welcomed visitors to the city. That partnership approach has been very successful.

For the past two years, we have had a business investment manager who looks solely at inward investment in the city, and they have a small team as well. A lot of Glasgow's success in attracting conferences, for example, is down to the partnership approach.

**The Convener:** Thank you. We move to questions from committee members.

Jamie McGrigor: I am interested in talking about the visual arts scene in Glasgow, especially as we talked earlier about Scotland's reputation for having the best international festival in the world in Edinburgh—that is fairly taken for granted now. The visual arts scene in Glasgow is very strong and I wonder whether more could be done to promote it.

I know that there is an arts festival in Glasgow, but perhaps more could be done along the lines of the Venice biennale. I remember asking Frank McAveety about the same idea a long time ago. It seems to go on but it has never come to anything. The success of the international festival in Edinburgh could be replicated the whole way across the central belt.

Also, what support is there from the Scottish Government and its agencies for developing international cultural links?

Gillian Walsh: I cannot answer for the visual arts sector—it is not my sector—but I can say that the culture programme that ran alongside the Commonwealth games last summer was very successful. It was a good opportunity for us, as a city, to look at what we are doing and how we might expand that.

I cannot answer the question about funding, unfortunately, as it is not my area. However, I can certainly take that back to Glasgow and ask about it.

Jamie McGrigor: With good things such as twinning bringing people together, do you have examples of trade links or of business really benefiting from those links? That question is for anybody.

Anil Gupta: You asked about support from the Scottish Government and its agencies. Scottish local government and the Scottish Government have a joint working arrangement at a member level and we meet roughly three times a year, or every quarter or so, to look at sports, arts and cultural issues. The cabinet secretary turns up to those meetings and we talk about our relationships with bodies such as Creative Scotland. At this stage, we have not taken it further in the direction that you suggest—namely, looking at internationalisation. However, given the Commonwealth games experience last year, the issue of our hosting major spectacular events is just below the surface and I am sure that we will want to have a look at how we can best exploit and develop such opportunities in the future.

Elaine Ballantyne: On the Scottish Government's support for initiatives, City of Edinburgh Council will tomorrow launch its incubation base for small and medium-sized enterprises in Shenzhen, in China. That project has been very much endorsed and supported by the first secretary of the Scottish affairs office, who is based in Beijing as part of the Scottish Government. That is a good example of working over a long period, from a very early stage, to develop relations at the governmental level and at the local authority level. Bringing those together can result in a very powerful influence for getting things delivered on the ground.

We see our memorandum of understanding with Shenzhen as part of the Scotland-China plan, and it has been well supported. We launch that base tomorrow, with a number of companies taking up space. We will also offer Shenzhen companies the same opportunity in Edinburgh. It is the first time that we have done that, and the initiative has been well supported.

#### 10:15

The Convener: Excellent. Hanzala Malik wants to come in with a supplementary before I let Jamie McGrigor back in.

Jamie McGrigor: You can let him in while I think of something else.

Hanzala Malik: That is so kind of you, Jamie. [Laughter.]

My question is on the back of the question about Scottish Government support to cities and Anil Gupta's very good description of what normally happens.

Unfortunately, Glasgow City Council has an inand-out membership of COSLA. It spends more time out of COSLA than it does in it, so Glasgow probably does not get the full benefit from Anil Gupta and his office. One example of how Glasgow suffers from not getting Scottish Government support is the Glasgow mela. It is the event's 25th anniversary this year, but there will be only a one-day mela with a few satellite events dotted around the city, which is rubbish. That is not a mela, and nobody should try to convince me otherwise. To have only a one-day mela on the 25th anniversary of the biggest, most successful event in Glasgow just shows the lack of sensitivity in that area.

I am not blaming you, because I know that that is not directly in your area of influence, but I think that, as an international department in the city, you would have benefited from supporting Glasgow Life and Glasgow Sport if the facility was available to you. The fact that Glasgow City Council is not part of COSLA now means that we do not get the benefit from that membership.

**Gillian Walsh:** I know that the mela event is always very popular in the city, and that a lot of people are disappointed that it is not going to be bigger.

Hanzala Malik: Absolutely. Thank you for that.

**The Convener:** Jamie, do you want to finish your line of questioning?

Jamie McGrigor: Yes. My next question is on access to European funding, which we have looked into previously in dealing with the horizon 2020 stuff. How easy do you find it to access European funding? Are there difficulties? Is the Scottish Government doing enough to make it easy for local authorities to know what they can access?

Joanne Scobie: Accessing European funding is difficult, as there are approximately 40 different programmes, all of which have different eligibility requirements, budget structures et cetera. Recently, Scotland Europa, along with WOSEF, ESEC and the Scottish Government, developed an EU funding portal, which will act as a one-stop shop with information on all the different funding programmes. It will also include a database of all the previous projects—approximately 4,000—that have been funded by Europe, with details of the different sectors and partners.

Accessing European funding is difficult as there is so much of it and there are so many different requirements, but we hope that the funding portal, which has been developed in collaboration with the Scottish Government, will help to address that.

**Malcolm Leitch:** The west of Scotland European forum also supported the development of the funding portal, which is a very positive move. I see from the "Brussels Bulletin" that the committee will be talking about it in a few minutes' time. I emphasise, however, that a portal is a necessary but not a sufficient condition for participation in the programmes. To be fully successful, it must be complemented by activities that involve more than just a website, although the portal is very good.

We are very keen to move forward. Indeed, at our forum meeting next week, we will ask the Scottish Government to clarify, now that most of the funding programmes for 2014 to 2020 are in place, how it will work proactively with stakeholders to improve the uptake. The uptake was not poor during the previous period but, as the old school report card said, it "could do better." The portal will need to be refreshed on an ongoing basis as new projects come on stream with Scottish partners. We need to ensure that the database is up to date so that people know what is being approved in order that they do not duplicate an area of work that has already been covered and waste time on an abortive application.

Picking up on another point that came up in some of the earlier evidence, I note that a lot of the EU transnational programmes are really good, but success rates vary. In some of the Interreg programmes that I was familiar with in the period 2007 to 2013, the success rate was as low as 10 to 15 per cent. That is the reality of a lot of the competitive EU programmes out there.

It takes time and effort to prepare a transnational project, and sometimes it involves having to meet people in their environment. It cannot all be done by email, Skype and so on, however important they are to the EU's communications compared with when I started working in the field, when the fax was the state-ofthe-art technology. Things have got a whole lot better in communications, but sometimes we need to meet potential partners face to face in a room to see whether there is continuity of interest and we can work with them.

Things will not happen just by having a portal. To get the benefits of a worthwhile project requires a significant investment of time, given that the competition for funds in many EU programmes is intense.

**The Convener:** You will know that the committee has taken a keen interest in EU funding and how it is disseminated and monitored. The Cabinet Secretary for Culture, Europe and External Affairs will be coming to talk to us about that in a wee while. I remember doing EU funding applications and monitoring forms when they were all on paper, so I feel your pain.

**Elaine Ballantyne:** I echo the points that have been made about the competition for European funding and the extent of the brokerage that now needs to be done in partnership working. For that, we need the experts from the service delivery areas and the EU funding experts to combine forces. The key thing here is innovation. The biggest challenge is for a local authority to have the capacity for innovation to ensure that the bids that we spend a year or more working on are as competitive as they can be.

Another challenge is the changes to how the brokerage works across Europe, with what are called lighthouse cities and follower cities, depending on the capacity to lead a project or simply to be a follower. That scenario is changing quickly and the outcome for a local authority relates to its capacity to build innovation and take part in the brokerage.

To be honest, it has to be in-country brokerage. As Malcolm Leitch said, Skype and emails are fine, but the brokerage is so fast and its events are so huge that more than one person is probably needed. That is a challenge for us because we are tight, small teams, but we often need at brokerage meetings a person who works in the particular delivery area as well as a person who can do the European funding and the brokerage.

Anil Gupta: COSLA has always been concerned about the competitive nature of some of the funding and is very aware of the point that Malcolm Leitch made about the very low success rates, which mean that a considerable amount of resources go in with no result. However, we were pleased to be involved between March 2011 and September 2013 in discussions with the Scottish Government's EU structural funds high-level group, which tried to simplify some of the processes and ensure that a greater proportion of the total allocation of structural funds came to local government.

The proportion at present is approximately a third, and that is in place until 2020. We are now looking at post-2020 arrangements and we are actively involved with our sister local authority associations at a European level in discussions with the European Commission about what shape the new things should have.

One of my staff members—Serafin Pazos-Vidal, whom the committee might have met—is convener of a working group at the European level, which he may well have told the committee about. That position allows him to have direct access to working group arrangements to try to continue the simplification process. As we move on down the community planning partnership route, we would like to see even more being delegated to the local level so that we are a bit clearer and the processes are more transparent than they have been in the past.

**The Convener:** Serafin keeps the committee well briefed on all the work that he is doing and I have contact with him when the Congress of Local and Regional Authorities of the Council of Europe is on and we are out in Strasbourg, so he keeps me well up to date.

Willie Coffey: I wonder whether I can open up a wee discussion on part of the discussion that we had with the cabinet secretary earlier. She talked to the committee about "Scotland's Action Plan for EU Engagement", which has clear national objectives, but I am interested in how that sort of thing pans out locally.

My colleague here, Mr Leitch, is from the west of Scotland, and I am the MSP for Kilmarnock and

Irvine Valley. I am interested in how the benefits of that national strategy work locally, on the ground, for example in Ayrshire. When a Government rethinks its strategy for EU engagement or devises a new strategy, how does it affect you at a local level? How do you implement the strategy locally to ensure that we are all singing from the same hymn sheet?

Anil Gupta: We are involved in fairly active discussions between civil servants, local government and COSLA on how we provide input to strategies and action plans at their conception, rather than just downstream, once they have been drafted. We believe that it is quite important that we have a more active role. Fortunately, we are much more content this time than we have been previously.

Nevertheless, it might be useful to consider the extent to which practice in other parts of Europe that formally involves local authority associations could be reflected better in arrangements in Scotland. Some examples have already been provided to the committee. A lot of them are in Scandinavia and the Netherlands. There are fairly good ties between the committee structures of the Parliaments and the local authority associations, which allow early dialogue to take place. I thought that I would mention that before I talk about the practical side with our member authorities and non-member authorities.

Willie Coffey: You say that it is a two-way dialogue. Let us say that you are a member of the public in somewhere like Kilmarnock and Irvine Valley and you pick up the strategy and say, "Oh, that's lovely. What does it mean for us?" In what way do the outcomes of these strategies drift down to local communities? These great initiatives are supported by everyone round the table, but how do the public see them?

Joanne Scobie: A lot of local authorities have their own European strategies or international frameworks, which incorporate the Scottish Government's broader economic strategies and European objectives. A European Union strategy such as Europe 2020, which is about smart, sustainable and inclusive growth, is very much aligned with what the Scottish Government and local authorities are aiming to achieve.

Many local authorities host workshops and business briefings on subjects such as European funding and how local SMEs and even individuals can access such funds. Those briefings are about raising awareness of the strategies on the ground.

**Malcolm Leitch:** As I state in our written evidence, the committee's inquiry is extremely timely. In the west of Scotland European forum, we are trying to refresh our strategy. Our chair is very keen that the benefits should drill down from the local authority level to the community level. I think that Willie Coffey hinted at that issue in his question.

A good example of where European engagement can have a significant community impact is the URBACT programme. That programme is not just for large cities; there is no minimum population. Although the name is a sort of self-definition, it is not just for Glasgow, Edinburgh, Dundee, Aberdeen or the other cities in Scotland. The ethos of URBACT is about getting local action groups going and working on the specific topic that is covered by the programme.

There are one or two examples in the written evidence. The one that I am familiar with is the Roma-Net project, which is doing a lot of good work in the Govanhill part of Glasgow. It is a requirement of getting access to URBACT funding that a local action group involving community representatives works in partnership to improve services or address the topic that has been identified by the programme. It is a generic requirement of all URBACT projects that they must have that local community dimension.

#### 10:30

Willie Coffey: The Scottish Government is talking about encouraging innovation, opportunity and growth and all those worthy things. How do local folk see whether that is actually getting done? At the end of next year or the year after, if local folk come to ask folk like us, "What did you do about that? What were the benefits and what did we get out of it?", what do we tell them? How do we articulate it? Who reports to whom about the success or otherwise of those wonderful initiatives? Where do we see that? Who do you report to?

Joanne Scobie: The Scottish Government recently compiled its national reform programme and its EU action plan and consulted different stakeholders, including local authorities, asking for positive case studies. Quite a few were submitted on, for example, the structural funds and Interreg projects.

It can be challenging to communicate to the local level, especially as there is such scepticism about Europe at the moment. It can be challenging getting to the right people or even getting people from the community on to local action groups for URBACT, LEADER or other programmes. If there has been a successful project, the message to make the community aware that the funding filtered down from Europe is sometimes lost.

Willie Coffey: The message about media approaches to Europe is certainly in Malcolm Leitch's submission. The committee has spoken about how we better articulate the benefits that we share that come from the European Union. We are not very good at sharing information on those benefits and we need to be—collectively—better at doing it. I am interested in your views on how to lift that up and make the information more accessible to the public so that they can see what is going on in their communities in an easy-to-read and easy-to-understand fashion.

**The Convener:** Jamie, do you have a supplementary question on that point?

Jamie McGrigor: Yes. I note from the written evidence that COSLA is responsible for leading Scottish local authorities in their policy making on the European Union, which is fine. Going back to the point that Joanne Scobie made about small and medium-sized enterprises and individuals who want to seek European funding, I think that there is a difficulty here. In many ways, this is part of where Euroscepticism stems from. They see Europe as a huge curtain with vast strands that are difficult to pull apart.

Joanne Scobie put her finger on it when she said that there is a difficulty with people accessing European funding. Could COSLA do something to make the portals through which people can get European money more obvious to businesses and individuals who want to develop enterprises for the benefit of industry and to create jobs and livelihoods?

Anil Gupta: One of the things that COSLA has responsibility for is the central resource that is available to business gateway, which supports the SMEs. It has been a while since I have been directly involved in that. Malcolm Leitch, who has been involved in SLAED—the Scottish local authorities economic development group—can respond to that. There is a portal website where a lot of information is available, including on apps for phones and the like. That gives a wealth of information about funding opportunities, backed up by direct contact with local economic development officers. There are quite a few pointers there about where to go for funding.

Similarly, I remember that some time ago, when we were involved in the better regulation initiative and the services directive, we tried to break up into chunks that would be useful and meaningful to SMEs the information about the opportunities that they were going to get under the services directive to work outwith Scotland, and we also made sure that local authorities complied with their own requirements to ease the processes. However, that is not my area of expertise any more.

The Convener: Gillian, do you want to come in on that?

Gillian Walsh: It was mentioned that people do not know what Europe does for them. When we

encourage our groups and organisations to apply for EU funding, there is no shortage of information out there for them. As Joanne Scobie said, the sheer bulk of the information about where people should go is the issue. It is, as Elaine Ballantyne said, down to capacity a lot of the time.

If we asked the average Glaswegian how many twin cities Glasgow has, they probably could not answer. Perhaps that is down to us, too. When people, including young people, get involved in European projects and they see the benefits, including for their children, they definitely think that Europe is a good thing. However, those who are not active in that work area probably do not know what Europe does for them.

**The Convener:** Mr Leitch, will you give us a bit of your insight?

**Malcolm Leitch:** I will, since Anil Gupta has put the spotlight on me. One of my roles is as SLAED's European funding spokesperson. We have certainly been working hard over the past couple of years on what we spend on small business support through what I would call our domestic European regional development fund, which is the point that our colleague was making.

Bearing in mind that a key pillar of the refreshed economic strategy is internationalisation, a key driver of our ERDF programme for supporting small businesses across Scotland-in the Highlands and the Lowlands-is to improve the internationalisation of our SME base in Scotland. By and large, the general picture is one of working with companies with growth potential. We are not using our limited European resources on start-up companies-that is done through the core business gateway offer. Instead, we are trying to work with companies with growth potential. One of the main ways in which a company can grow is by internationalising its market. That part of the Government's refreshed economic strategy is woven right through the interventions that are done with ERDF support by the enterprise agencies and by local government through the business gateway network.

The European Commission is sometimes paranoid about the need for publicity for the funding. Indeed, we must ensure that, when a company gets support from a European funding programme, it is aware of that. Most of the support that SMEs can access does not come through direct application for European funds; it comes from a public sector programme that is delivered by, in this case, local authorities through the business gateway or through the enterprise agencies. When we give a grant, consultancy support or business advice to firms, it is our responsibility to ensure that the European dimension is up front and that it is obvious that the support is part financed by European funds. We are audited on that much more these days. That is very much to the fore.

I hope that that answers some of Jamie McGrigor's questions.

**Elaine Ballantyne:** I will give a couple of examples of how we have brought SMEs and the company base into our European-funded projects. Raising awareness is probably best done by engaging people directly and showing them how they can get involved. Our Interreg programme, which was the largest in the north-west Europe programme, brought in the universities—the academia side—and small and medium-sized enterprises in the city to look at innovation. The programme was called open innovation. The idea was that, by sharing, opportunities arise. It was very successful, and we are ready to bid again with those partners.

Although, as I have indicated, some of the new European funding programmes are complex and highly competitive, they allow us to bring in the private sector in a way that we were never allowed to do before. Innovative companies that are able to provide advanced technology can sit at the table and be part of the project.

Those are two examples from our side on bringing in the business sector and the ability to publicise the opportunity, using a project's outcomes and how we got from A to B on it.

**The Convener:** Mr Coffey, have you completed your line of questioning?

Willie Coffey: Yes—that is super, thank you.

Hanzala Malik: Willie Coffey has asked an important question. I agree that all the strands must be pulled together centrally in order to make a national report. So many of our cities are twinned with other cities around the world. We need to share that information more freely. We must share not only the successes but the failures, so that we do not make the same mistakes. There is no point in reinventing the wheel. With regard to applying for funding, that information needs to be shared once the application has been successful or has failed, so that people know what to do and what not to do.

Those elements are good, and perhaps the Scottish Government could come up with a solution that involves it creating an agency or asking an existing agency to pull all of that together. Nationally, we should have that. Also, because things move so fast, authorities should be able to share information with each other online, and annual reports can be put online for ordinary individuals to see.

Gillian Walsh is right that citizens will not normally know how many cities their city is twinned with and what activities go on. Her written submission is extensive, but it did not include the fact that, last year, for example, a 13-strong delegation went from Glasgow to Lahore, which resulted, a few days ago, in a charitable donation of £50,000 to allow two twinned hospitals to work together. That happened because of the twinning. A lot of initiatives happen, but not all of them go through the council, which is a shame, because the council has supported the twinning. There are good news stories that we need to share with people.

People are answerable to their own authorities, because that is where the responsibility is. However, sharing is important, and I think that we should think about how we share, so that we can all benefit from each other.

Anil Gupta: On the sharing of information, COSLA and the Improvement Service have a number of communities of practice, as we call them, which are intended to improve how people work by highlighting examples of good practice and, unfortunately, occasional examples of poorer practice. Examples can be uploaded to the knowledge hub, which is a website that is accessible to officers who deal with those policy areas. I understand that that is the case for broad European areas of policy. The role of organisations such as SLAED is key in providing a cross-council perspective on what is going on. A fair bit of the co-ordination happens at a local authority level. What might be being missed out on a little is how we make sense of the work of individual local authorities, and local authorities collectively, as it integrates with the broader Scottish work that is carried out by other agencies. That narrative is possibly missing.

Joanne Scobie: As I read the submissions, I was struck by the connections that Scottish towns have internationally. I was not aware of most of them before. Some of the twinning links to towns, cities and regions in the European Union are 70 years old, or even older. If we were to look at the locations on a map, we would see that we have connections with almost every country in the world, including Russia, Pakistan, South Africa, Australia, Canada and the United States of America. I wonder whether that kind of visual representation could be produced, so that we can see where we are linked to across the world.

**The Convener:** I am a visual person, so that would be interesting to see. We are developing a new way of doing committee reports, and that might be something that we could consider.

**Roderick Campbell:** Would anyone like to comment on the importance of school trips and external school activities, and what benefits and problems there might be in that regard?

Gillian Walsh: School partnerships are a huge part of the twin city programme. We have a dedicated international education officer. We are keen for our young people to get involved in twin city exchanges, particularly those who would not traditionally get involved. Of course, the high flyers get involved, but we try hard to attract people who have perhaps never been abroad or who would never in a million years think that it is something for them. It is a lot of work to get them ready for a visit, but the benefits are huge. There are obvious benefits such as self-esteem and confidence building. We have seen massive changes in people's outcomes, particularly among young people from seriously deprived backgrounds. For us, the educational exchanges are a really important part of the twin city programme.

#### 10:45

**Elaine Ballantyne:** I echo what Gillian Walsh has said. It is a matter of engaging people at a young age in those established relations. In both cities, there is almost a protective framework, and the equivalents know exactly what to do when people land in the city, how to take care of them and how to approach the opportunities that could arise during that short visit. It can be absolutely life changing. There is a huge amount of interest from cities to engage with us in schools.

If that cannot be done through schools, it can sometimes be done through youth groups, sport and other areas of youth activity, and we are keen to consider employability programmes, too. I absolutely endorse what has been said about that.

**Roderick Campbell:** What impact does the panel think that could have in encouraging children to learn more languages? Does it assist with that, or does it make no real difference?

**Gillian Walsh:** It would make a huge difference. One of our most successful twin city partnerships in Europe has been with Nuremberg. Language is never an issue there, because our German colleagues speak very good English. Our French partners in Marseille prefer to speak French, so it can be more of an issue there. Our Italian partners are the same—they prefer to speak Italian.

Some of the cultural exchange is missing when our young people do not have the language. Young people always find something in common to communicate with one other, so they always manage to get on but, if our young people are going to another city, we try hard to get them a very basic grounding in the language, even if it is just to say, "Hello," "How are you?" "My name is," and so on. It would make a big difference if we could encourage more language learning in schools.

Elaine Ballantyne: Some of the European funded programmes encourage that element of learning languages. We had some funding under the Leonardo programme for a short exchange between economic development officers in Edinburgh and our twin city of Munich. It was a very small grant, but it was enough to allow six people each way to spend two weeks with their colleagues in the other departments. As part of that, they had to undertake a period of language learning. It was not advanced German, but it was enough for them to be able to land with confidence. Everybody enjoyed that, and many of those involved have continued to work on the language. That is a good example of European funded support for that kind of initiative.

Jamie McGrigor: I notice from the written evidence that the Bavarians said that their natural friendly countries, so to speak, are the Czech Republic, Austria and Switzerland. Presumably, that goes back in history to the Austro-Hungarian empire. From local authorities' point of view, how do you work out who to twin with? I am taking England out of the equation for the time being, but who are the natural neighbours for Scotland?

Anil Gupta: At European level, there is a structure available through the Council of Municipalities Regions-the European and CEMR—which acts as а matchmaking arrangement. It lists what the different partners are offering and what they are looking for. It is almost like an online dating arrangement. There are materials available for people who are proactively looking to form links and who are looking for others who could benefit.

Nowadays, some of that is more targeted at the international development range of the spectrum, for which there is a slightly different culture in mainland Europe, with local authorities more often having direct access to funding for that sort of work on a continual basis. That helps to ensure long-term relationships through twinning arrangements and the transfer of skills and knowledge between local authorities, which are often in the vanguard of developmental work. That is just the formal EU aspect.

**Joanne Scobie:** To go back to a previous point, language learning certainly is invaluable. In our evidence we have given several examples of educational exchanges for language purposes but also for skills purposes.

To go back to another point, exchanges such as Erasmus are a great opportunity to introduce young people at an early age to the European Union and the benefits that it can bring. If we explain what the European Union does and its benefits to young people at that age, it will set them up to have less of the ingrained Euroscepticism that some older people might have.

**The Convener:** Anne McTaggart will begin a new line of questioning.

Anne McTaggart: Are we using the success stories of individual entrepreneurs who have used European funding? Have we created a mentoring scheme that can be tapped into?

**Malcolm Leitch:** I can answer in part. You are right—once people start thinking of entering the thickets of European funding, good case studies and good examples make it much more real for them. On the business innovation side, Elaine Ballantyne earlier referred to an excellent project that City of Edinburgh Council led on inspiring open innovation. Whether it is in the field of education, as has been talked about, or in the field of innovation entrepreneurship, having role models and good case studies is absolutely the right way to get across to people the positive benefits of European and international engagement, as they are much more real to people than even the best website or Facebook page. That is very important.

Things like the funding portal are excellent in filling out a skeleton, but it is the personal or organisational examples that give the flesh to the body.

Elaine Ballantyne: I can add to that. Although it is not necessarily within the EU context, we work with businesses and entrepreneurs in the city on our international projects. They help by pooling resources—offering the opportunity to use premises when we have international delegations coming into the city, for example—but also by taking part in showcasing the city internationally, not necessarily for export-related reasons, but, for example, to showcase the technology that we have in the city or the strength of financial services. We work closely with the different sectors in the city. They often talk alongside us about the benefits of public-private partnership working.

Anne McTaggart: That is all I wanted to ask about. I also agree with you, convener, that it would be far easier if we could see coming to fruition one of Joanne Scobie's suggestions about visualising how we market, what we actually do and how many countries we do it in.

Adam Ingram: I have just one question for the witnesses. From your perspective, what one thing do you think could improve our engagement internationally?

**Gillian Walsh:** That is an easy one for melanguage learning.

Joanne Scobie: I agree that languages are hugely important. It is also important to share knowledge about what each of us is doing. As I said before, there are some great case studies in the written evidence that I was not aware of before. Sharing knowledge and perhaps collaborating more would be my answer.

**Malcolm Leitch:** I will not second but third the argument for languages. Our less sophisticated level of language skills compared with those of other countries limits our pool of potential partners. People are pulled to Scandinavia, the Netherlands and northern Europe as a result. Language skills have never been an issue in Glasgow's long-standing link with Nuremberg, but we should not expect everyone to be able to conduct their business discussions in English. A much broader base of language skills in Scottish organisations and communities would unlock much more potential.

Anil Gupta: I echo Joanne Scobie's point about information exchange and understanding better how other cultures approach problems that are similar to ours.

To that end, we often encourage exchanges at a local authority association level—delegations come to visit us and member authorities. The visitors are largely Scandinavian. We have had Finnish tax experts look at council tax and provide input to the commission on local financing, and we have had submissions from Danish and Dutch people—I cannot remember who else—on our commission to strengthen local democracy. Icelandic people come and feel a little bit sorry that although they are very affected by the EU they are not quite in it—there is a salutary lesson in that about what might happen if we were just a passive member of the European regulatory environment.

There is the Congress of Local and Regional Authorities, and we had its monitoring report last year, which provided an overview of how well we comply with the European Charter of Local Self-Government—you are probably aware that there is still work to be done.

Those sorts of things are very important in that they prevent us from being insular. We can learn from other EU member states and we can give them examples of how we work here. Our community planning partnership arrangements are probably further advanced than those in many other countries, although a lot of them are moving slowly in our direction. International engagement is a two-way process.

Elaine Ballantyne: I recommend playing to our strengths and building up the niche opportunities that distinct local authority areas and regions have. We should look at what we at local level can bring to the Scottish strategy agenda. We can all contribute in particular areas. Having more awareness of those things and building them into the early engagements and relationship building at governmental level will stand us in good stead, in terms of the delivery of the strategy.

**The Convener:** Does that answer your question, Adam?

#### Adam Ingram: It does indeed.

Hanzala Malik: We have talked about how decisions on twinning cities are made. One thing that has not been mentioned is the participation of councillors. I went through a couple of twinning processes as a councillor and I know that sometimes twinnings are driven by either the Lord Provost or the chair of development and regeneration services committee. They come up with a twinning suggestion, based on various reasons: there might be a large diaspora that wishes the twinning to take place. There are a number of reasons why international twinnings take place.

If and when a twinning takes place, people should not just sign the agreement and then put the forms away and forget about it. The whole point of a twinning is to make the relationship work. That is the important element in any twinning, whether internationally or within Europe. We would benefit from remembering that.

I went to one twinned city, which was Havana in Cuba. I was shocked that it was twinned with more than 50 cities. I said to myself, "How in hell does it keep track of all those twinnings and work with those cities?" Sometimes people can be overzealous and have far too many twinnings. I understand that Cuba was isolated for a period, and other countries wanted the people there to feel that they were part and parcel of the human race, but generally twinnings should be limited to a manageable number so that they are effective.

#### 11:00

**Gillian Walsh:** We are twinned with eight cities and there were a myriad of reasons for twinning with them. We tried really hard to ensure that they were all included in our twin city programme.

In some circles, twinning is now regarded as a bit old-fashioned. However, in our project with South Africa we are forming a technical partnership with its municipalities for the duration of the project. When that technical partnership comes to its natural end we will look at it again. The notion of twinning is still very important.

**Elaine Ballantyne:** Our twinning relationship with Munich is 60 years old and our twinning with Florence is 50 years old. We have a range of projects happening with those cities and have had ever since the first day. It is hard work to keep those relationships going with limited resources: they take a lot of time and patience, and they require capacity to be built across the sectors and relationships to be built within the cities as well as between them.

We have many partnerships for Europe-funded projects and other distinct pieces of work such as technical partnerships, like the one that Gillian Walsh talked about. When a twinned city relationship is active and dynamic and both cities wish to continue it, it is the perfect relationship. There are many others that are project based. You can bring new things into existing twinnings, perhaps from experience of working in other partnership arrangements. They evolve all the time. As Hanzala Malik said, it is tricky to keep them alive and evaluate them, but there are certain ways to do that in terms of the level of engagement there is across both cities.

**Malcolm Leitch:** What I wrote when I rounded off my written evidence echoes directly a point that Hanzala Malik made. Commitment by senior management and elected members, whether in the forum of the Scottish Parliament or local authorities, is absolutely critical to the success of European and international work. It is a discretionary part of local government; we have no statutory obligation to do twinning or engage with European projects. At a time when budgets are under severe pressure, senior management and elected member support is absolutely critical to making such things happen on the ground, in realistic terms, as Mr Malik said.

**The Convener:** On that point of information good information at that—I will thank you all for giving up your time, energy, written evidence and oral evidence, which have been extremely helpful. I hope that you will keep track of the inquiry. We will be looking for some visual aids to help us along.

We will have a brief suspension.

#### 11:03

Meeting suspended.

11:06

On resuming—

### **Annual Report**

**The Convener:** Welcome back. Agenda item 3 is consideration of a draft annual report, copies of which members have in their papers. I am happy to go through the report page by page, if members are content with that.

There is a general introduction on page 1, which contains paragraphs 1 to 6. Are there any issues with that page?

Willie Coffey: The report is a good summary of what we did, but maybe it could be enhanced a wee bit if we included some of the issues of concern to the committee during the year. It reads as more of a statement of what we did rather than of what we felt about certain issues, such as broadband and small business expansion. I thought that the issues that arose and were discussed in the committee might be worthy of a little footnote to round off the report.

**The Convener:** A standard report is just a reflection of what happened in the committee.

Willie Coffey: All right, but the report could be enhanced and made better by doing that. If the public want to find out what the committee did, the report is fine, but it could include what we discussed and what the issues of concern to us were.

**The Convener:** A bit of discussion on the format of the reports is going on in the Conveners Group. That is an on-going piece of work; the draft report is what we have right now.

Willie Coffey: Fair enough.

**The Convener:** Page 2 contains paragraphs 7 to 10, and page 3 contains paragraphs 11 to 14. The next page contains paragraphs 15 to 18. There is a lovely photograph of Hanzala Malik at Scottish Ballet.

Hanzala Malik: Just in case anybody missed it.

The Convener: He is not wearing a tutu.

Paragraph 19, on the final page, is on meetings.

Are members content to publish the annual report?

Members indicated agreement.

## "Brussels Bulletin"

11:08

**The Convener:** Agenda item 4 is the "Brussels Bulletin", which we will consider in the usual manner. Are there any questions or clarifications?

**Roderick Campbell:** This is not so much a question; it is more of a comment really.

There is an interesting bit on renewable energy that says how well Bulgaria, Estonia, Lithuania, Romania and Sweden are doing. However, France, Germany and the UK are not doing very well—although Scotland is in a slightly different position. That indicates that the targets might be quite difficult to reach, unless there is a marked improvement.

The Convener: Okay. Is there anything else?

Anne McTaggart: On page 8, which deals with alcohol under the heading "Health and Sport", it says:

"On 28 April, the European Parliament adopted a resolution"

and launched

"a new alcohol strategy to enter force in 2016."

Have we seen that, or can we get a copy of it sent over?

**The Convener:** We can get a copy of it. That ties in closely with the Scottish Government's priorities on alcohol reduction and health.

Anne McTaggart: That is what I was thinking about how that impacts on our alcohol strategy.

The Convener: We can get that strategy.

Willie Coffey: I refer to the digital single market comments on page 4. I am underwhelmed by the 16-point plan to advance the whole digital economy. I am pretty sure that the initiatives are all fairly worthy, whatever some of them involve for example, "Ending unjustified 'geo-blocking'" is referred to; I am sure that we would be delighted to find out what on earth that is—but the European Commission does not really have its eye on the big issues to do with digital technology, mobile services and broadband that might interest customers throughout the European Union.

For example, why is the Commission not thinking about moving to a single EU tariff for mobiles? Why is it not thinking about a race to the top for superfast broadband so that all infrastructure is as good as that of the best member of the European Union, rather than everybody doing their own thing? Why is it not thinking about opening up access for customers to digital service providers throughout Europe? We are locked in to buying services from companies in our particular member state. Surely such issues should be of interest to people right across the European Union.

The initiatives are worthy, but I have no idea who decided that they are the priorities for the digital agenda in Europe. I do not know where we as a committee should go with the issue. We have raised it many times. Perhaps we could speak to somebody who is influential about the setting up of the strategy and why it came to be what it is. I am pretty certain that, if we sat ordinary folk down in front of the strategy, they would give us a different set of priorities.

**The Convener:** There is a Commissioner for the Digital Single Market. We could investigate who that commissioner is.

Hanzala Malik: Could we possibly seek a meeting if we ever get to visit Brussels?

The Convener: Absolutely.

Hanzala Malik: The issue is a priority for us.

**The Convener:** We can do something with the European Parliament when we are in Strasbourg in October.

Hanzala Malik: Maybe that should be one of things that we want to do.

Willie Coffey: I appreciate that we will not drive the agenda, but somebody is driving it, and I would like to find out who that is and why they came up with the set of 16 points. They are interesting, but they are not the crucial issues for me.

Hanzala Malik: It is also important that it is appreciated that the digital economy is an issue and a priority for us so that, the next time such decisions are made, it will be remembered that we had an issue.

The Convener: Yes.

Are members content to make the "Brussels Bulletin" available to other committees for their perusal?

Members indicated agreement.

Jamie McGrigor: I wonder whether the stuff that is being done about school milk is intended to help the dairy crisis in any way. I wonder whether it is linked to that.

**The Convener:** Are you referring to the dairy milk plan?

#### Jamie McGrigor: Yes.

The Convener: There was information about that a few weeks ago. We can certainly have a look at that and get you some more information.

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Jamie McGrigor: I just wondered.

**The Convener:** The local authority in my area has withdrawn free school milk, so I would be interested in the plan.

Jamie McGrigor: The dairy industry needs help.

#### The Convener: Yes.

That concludes today's business. Our next meeting will be an informal one with the international development sector on 21 May.

Meeting closed at 11:13.

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